



## GREATER TUBATSE MUNICIPALITY



# 2011/12 Annual Report

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## **GENERAL INFORMATION**

### **I. Executive Committee**

- (i) Cllr. N.J. Mahlake (Mayor)
- (ii) Cllr. S.C. Mphogo (Portfolio Head: Finance)
- (iii) Cllr. P.A. Mohlala (Portfolio Head: Technical Services)
- (iv) Cllr. S.O.Seruthwane (Portfolio Head: Economic and Land Development)
- (v) Cllr. M. D. Nkosi (Portfolio Head: Corporate Services)
- (vi) Cllr M.R. Khoza (Portfolio Head: Community Services)
- (vii) Cllr. R.F. Lourens (Deputy Head: Community Services)
- (viii) Cllr. M.A. Malatjie (Deputy Head :Technical Services)
- (ix) Cllr .M.E.Makgoga (Deputy Head: Economic and Land Development)
- (x) Cllr. L.D. Moraba (Deputy Head: Finance)

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This document has been issued in terms of section 127 (2) of Municipal Finance Management Act, Act No. 56 of 2003, which states that the Mayor of a municipality must, within seven month after the end of a financial year, table in the municipal council the Annual Report of the municipality and of any municipal entity under the municipality's sole or shared control.

## **ABBREVIATIONS**

AIDS	Acquired immune Deficiency Syndrome
ANC	African National Congress
CDW	Community Development Worker
CLLR	Councillor
CPMD	Certificate Programme in Management Development
COPE	Congress of the people
DTI	Department of Trade and Industry
ELMDP	Executive Leadership Management Development programme
EPWP	Extended Public work programme
ESKOM	Electricity Supply Commission
FET	Further Education and Training
F/Y	Financial Year
GTM	Greater Tubatse Municipality
HIV	Human Immune Virus
IDP	Integrated Development Plan
IEC	Independent Electoral Commission
IGR	Intergovernmental Relations
ILO	International Labour Organisation
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development

LIBSA	Limpopo Business Support Agency
MEC	Member of Executive Committee
MTREF	Medium Term Revenue and Expenditure Framework
NCOP	National Council of Provinces
NDPG	Neighbourhood Development programme Grant
PMS	Performance Management System
PR	Proportional Representation
RSA	Republic of South Africa
SDBIP	Service Delivery and Budget Implementation Plan
SDM	Sekhukhune District Municipality
SETA	Sector Education and Training Authority
TRP	Two Rivers Platinum Mine

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## **CHAPTER 01**

### **MAYOR'S FOREWORD AND EXECUTIVE SUMMARY**

#### **COMPONENT A: MAYOR'S FOREWORD**

##### **Vision**

Our vision of developing a developed Platinum city for the benefit of all has started bearing fruits for our people. In 2011/12 financial year alone, 4512 unemployed people got employed; 1460 homeless people got houses; three malls built and one already operating; mobility and connectivity of our villages have improved through the construction of access bridges and upgrading of internal streets.

##### **Key Policy Development**

To strengthen the fight against underdevelopment and to improve living conditions of its citizen the municipality has recorded achievement on the following policies:

- ❖ Adopted IDP and Budget within the prescript timeframe;
- ❖ Developed and adopted Fraud and anti- corruption policies ;
- ❖ introduced Hotline as a means to strengthen its war against fraud and corruption the for people to report fraud and corruption without fear of been known by the culprits;
- ❖ Developed and work shopped 12 human resource policies to council. The policies will be tabled to council in the 2012/13 financial year;
- ❖ Commenced with the process of Organizational re – engineering to ensure the relevance of its administration towards its vision. The process will be concluded in the 2012/13 financial year;
- ❖ Introduction of the ward committee feedback loop to enhance communication and feedback to its communities; and
- ❖ Development of 2030 vision as a vehicle towards full achievement of better life for all

##### **Key Service delivery Improvement**

When we came into office in June 2011, we made pronouncements and I am happy to report on progress made when the financial year ended. The table below depicts our achievements:

**Figure/table 01: 2011 pronouncements by new administration**

Pronouncements	Progress
1. Development of a clear monitoring and assessment tools to enhance the realization of municipal vision	<ul style="list-style-type: none"> <li>• MM office has been restructured to deal with monitoring and Evaluation programmes;</li> <li>• Programme for Exco to visit municipal projects is developed;</li> <li>• Resolution taken by Exco to subject quarterly reports to MPAC and community for scrutiny</li> </ul>
2. Skill development( Enhance partnership with mines and other institutions to Improve Mayor's bursary by 40%)	<ul style="list-style-type: none"> <li>• Sekhukhune district, local municipalities and mine managers joint task team(JTT) established to consider service delivery and HRD issues.</li> </ul>
3. All approved townships and business initiatives be developed	<ul style="list-style-type: none"> <li>• Three malls are developed and</li> <li>• Relocation of Segorong community</li> </ul>
4.30% inclusion of low income groups in all developments	<ul style="list-style-type: none"> <li>• In progress, no new residential development done</li> </ul>
5. Improve our Land infrastructure network and grow public work unit by 10%	<ul style="list-style-type: none"> <li>• Infrastructure development plan developed with the assistance of COGHSTA and DBSA;</li> <li>• Empowerment of Public work unit considered during IDP review and has been allocated 6million to purchase new machineries</li> </ul>
6. Fostering working relationship with CDWs and Ward committees	<ul style="list-style-type: none"> <li>• Ward committees established and engagement programme developed</li> </ul>
7. An Imbizos per month	<ul style="list-style-type: none"> <li>• A joint Imbizos with District municipality and province was held at shaking village from the 02 – 03 November 2011, but there is a need for municipality</li> </ul>

	to improve in this item
8. Debt recovery by 20% annually	<ul style="list-style-type: none"> <li>• R22.9 million from DRDLR</li> </ul>
9.Communication and Interface with communities	<ul style="list-style-type: none"> <li>• Media statements issued when necessary;</li> <li>• Responses to Community queries collected through suggestion boxes and walk in queries and ward management committee report has improved ,</li> <li>• Municipality is doing well on Presidential and premier hotlines</li> </ul>
10. Capacity to address wrong doing in procurements	<ul style="list-style-type: none"> <li>• Bid committees appointed and work shopped</li> </ul>
11. Establishment of a lobby committee for water services function, Electricity provision license and upgrading of Eskom Electricity infrastructure.	<ul style="list-style-type: none"> <li>• Lobby committee established;</li> <li>• Water study finalized;</li> <li>• Appointment of professional consultants for the acceleration of electricity services at advanced stage</li> </ul>
12.2014 Operation Clean Audit	<ul style="list-style-type: none"> <li>• clean audit campaign task team led by portfolio head of finance establish and meet monthly;</li> <li>• Quarterly scrutiny of performance reports by internal audit,</li> <li>• Quarterly scrutiny of performance reports by MPAC and community not yet implemented;</li> <li>• Submission of quarterly financial statement to MPAC for reviews not yet commenced</li> </ul>

## **Public Participation**

The municipality has introduced different approaches to public participation, include Exco –outreach, Issue based outreach and talk show, IDP/PMS for a, Quarterly mass meeting by ward management committees, establishment of project steering committees where a new project is about to be build. Since the introduction of the abovementioned approaches, participation of the public into municipal activities as mandated by chapter of the Municipal system act, act 32 of 2000 has improved. For the first time in the 2011/12 financial year we have conducted our IDP/PMS/Budget consultation per ward. The approach has improved the quality and the content of our IDP document and the relevance of our planning as it become specific than general.

## **Future plan**

The following are planned for 2012/13 financial year:

### **Capital projects**

#### **Roads & Access bridges**

- ❖ Burgersfort internal street;
- ❖ Ohrigstad internal street;
- ❖ Praktiseer internal street;
- ❖ Alverton access bridge;
- ❖ Kampeng access bridge;
- ❖ Phiring access bridge;
- ❖ Mahlakwena access bridge;
- ❖ Madifahlane access bridge; and
- ❖ Thokwane/Shakung access bridge

#### **Sport complexes**

- ❖ Mapodile and Ohrigstad sport complexes

### **Strengthening of Public works unit**

- ❖ Purchase of two(2) graders, one TLB and Roller;
- ❖ Three tipper trucks

### **Other plans**

- ❖ Launch of vision 2030;
- ❖ Finalization of Organizational design;
- ❖ Striving for clean audit by 2014

## **Agreements/Partnership**

The municipality has entered into public private partnership agreement to improve and extend the refuse collection in the municipality. The implementation of the agreement commences on the first of November 2012.

## **Conclusion**

We thank the administration for sterling work done in the 2011/12 financial year. It was a very difficult financial year in the municipalities as the A.G. was about to start auditing the municipality on the achievement on the predetermined objectives. With the determination of our administration we managed to keep qualified audit opinion. Of course we aimed to obtain unqualified opinion but qualified is also indication of rightful direction. We hope to perform better in the 2012/13 audits.

We have also witness the decline in the number of protest marches in the financial year under review and the payment of R22.8million into our account by DRDLR to service its debts. Unlike other years, in 2011/12 financial year the municipality closed the financial year with a positive bank account. Loaning of money for paying salaries is thing of the past.

On sad note, the almighty God took away from us our dedicated comrade, cllr Mahapa through death. May her soul rest in peace!!!

Thanks

The Mayor

Cllr Mahlake N.J

## COMPONENT B: EXECUTIVE SUMMARY

### MUNICIPAL MANAGER'S OVERVIEW

I think it is proper again that I take this moment to thank my colleagues with whom I spent the whole financial year under review working harder to ensure that people of Greater Tubatse Municipality get quality services they deserve. I know it has not been a simple task, sometime you had to leave the municipal office late risking your life in the busy roads of our municipality, keep the good work up. These works would not be possible without the support of our principals (Councillors) who adopted and approved policies and resolutions to make our work doable. We are looking forth for such support in the future.

Below are highlights of achievements that we made in the financial year under review. The report is presented according to the key Performance Areas, namely Municipal transformation and Organizational development; Basic service delivery; Local Economic development; Financial viability and management; good governance and public participations; and Spatial rational.

**Figure/table 02: Highlights of the municipal performance in 2011/12 financial year**

Municipal Transformation and Organizational Development	Basic Service delivery
<ul style="list-style-type: none"><li>• SDBIP and Performance agreements signed on time;</li><li>• Appointment of two cashiers , financial interns, senior risk officer and Municipal manager achieved;</li><li>• Councillors work shopped on Separation and delegation power policies and PMS framework;</li><li>• Administration restructured to enhance municipal performance;</li><li>• Adoption and implementation of WSP;</li><li>• MPAC members capacitated;</li><li>• 13 employees and five councillors registered for (MFP) training</li></ul>	<ul style="list-style-type: none"><li>• Construction of Praktiseer and Ohrigstad internal streets and Ngwaabe access roads completed;</li><li>• Construction of access bridges and access roads completed;</li><li>• Fencing of rural cemeteries had started when the financial year ended;</li><li>• Electrification projects were at 35% when the financial year ended after its commencements were delayed ;</li><li>• 5777 households benefited from FBE programme;</li><li>• 4847 households served with weekly refuse removal;</li><li>• 1204,.5km of rural roads graded;</li><li>• 50% progress achieved in the facilitation of PPP waste project.</li><li>• 96.3% of houses allocated to GTM are completed</li></ul>

Local economic Development	Financial Viability and management
<ul style="list-style-type: none"> <li>• 2012/13 Final IDP adopted by council on 01 June 2012;</li> <li>• Three poverty alleviation projects supported;</li> <li>• 4512 jobs created through LED initiatives, CWP, mines and social institutions;</li> <li>• Three malls established which will create employment opportunities for the locals, but only one was about to be opened when the financial year ended</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase of civic centre has been elevated to COGHSTA and is receiving attention;</li> <li>• Recovery of government debts has been elevated to the level of National treasury;</li> <li>• Received R22.9 million from DRDLR;</li> <li>• Cash available to monthly expenditure commitments as the financial year ended was R58, 121, 492</li> <li>• 2012/13 budget adopted by council 1 June 2012</li> </ul>
Good Governance and Public Participation	Spatial Rationale
<ul style="list-style-type: none"> <li>• Mid –year assessment done;</li> <li>• Individual performance review conducted and two directors(Director Technical services and CFO)were awarded for good work done;</li> <li>• Risk committee established and functional;</li> <li>• Internal audit unit functional ;</li> <li>• IT steering committee functional;</li> <li>• MPAC established and functional;</li> <li>• SOLMA conducted on 09 June 2012;</li> <li>• The municipality has registered 10 cases of which three are finalized and 7 waiting trail.</li> <li>• 2010/11 AFS completed and submitted on time;</li> <li>• Ward committees established, inaugurated and inducted;</li> <li>• Audit committee was able to appoint its chairperson and was functional;</li> </ul>	<ul style="list-style-type: none"> <li>• Obtained caretaker ship to strategic land for development in the municipality</li> </ul>

Thanks

The Municipal manager

Phala H.L



## MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION

Greater Tubatse municipality is one of the five local municipalities in Sekhukhune District municipality. It is part of the Bushveld Igneous complex from Mokopane to Lydenburg. It is dominantly rural and a large portion of its land is control by Traditional leaders. It has two townships namely: Praktiseer and Ga-Mapodile; and three towns which are Burgersfort, Ohrigstad and Steelpoort. Its Jurisdiction area is approximately 4 550km<sup>2</sup>. The municipality comprise 31 wards. It has three Municipal growth points namely: Driekop, Ohrigstad and Mecklenburg; district and provincial growth points are Steelpoort and Burgersfort respectively. Its main economic activities are Mining, Trade, Manufacturing, Tourism and Agriculture

According to 2011 statistics results, the municipal population is 343 470 and 66 611 households. 57% of the population comprises youth between 10 and 35 years.

The municipality is not an authority to most of basic services like water, electricity and housing; it only facilitates in the provisioning. Water provision is the competency of Sekhukhune District municipality, for electricity is Department of Energy (DOE) and housing is the Department of Cooperative Government Human settlement and Traditional affairs (COGHSTA). The table below depicts the powers and functions of Greater Tubatse Municipality:

**Figure/Table 03: Greater Tubatse Municipality powers and functions**

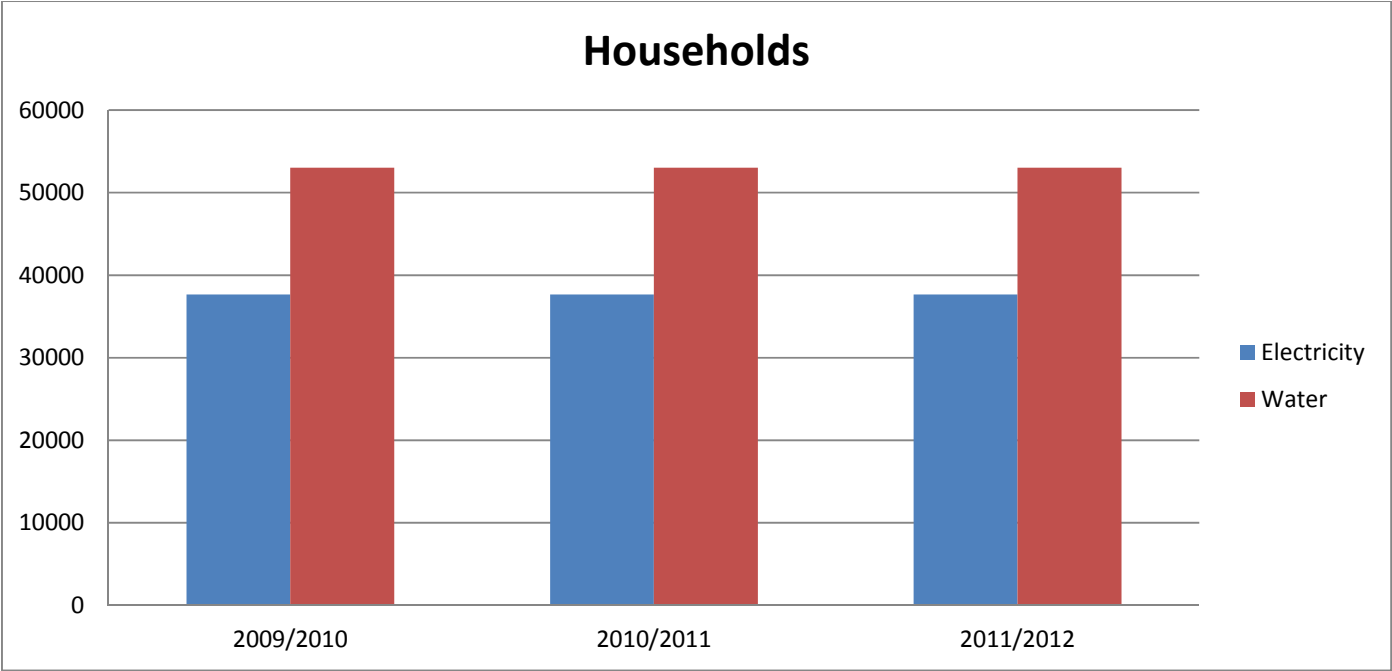
- ❖ Municipal Road
- ❖ Building Regulations;
- ❖ Local Tourism;
- ❖ Street lighting;
- ❖ Traffic and parking;
- ❖ Trading regulations;
- ❖ Local sports facilities;
- ❖ Municipal Planning;
- ❖ Municipal Public Transport;
- ❖ Municipal Airport;
- ❖ Billboard and advertisement;
- ❖ Control of Liquor , food outlets and street trading;
- ❖ Local amenities; and
- ❖ Waste and cleansing

**Figure/Table04: Population details**

Population Details									
Age	2009/2010			2010/2011			2011/2012		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age : 0-4	22878	21999	<b>44877</b>	22878	21999	<b>44877</b>	22878	21999	<b>44877</b>
Age : 5-9	20271	22517	<b>42788</b>	20271	22517	<b>42788</b>	20271	22517	<b>42788</b>
Age : 10 -19	41789	43165	<b>84954</b>	41789	43165	<b>84954</b>	41789	43165	<b>84954</b>
Age : 20 -29	23912	33617	<b>57295</b>	23912	33617	<b>57295</b>	23912	33617	<b>57295</b>
Age : 30 - 39	17991	38401	<b>56392</b>	17991	38401	<b>56392</b>	17991	38401	<b>56392</b>
Age : 40 -49	11028	16628	<b>27656</b>	11028	16628	<b>27656</b>	11028	16628	<b>27656</b>
Age : 50 -59	35077	13557	<b>48634</b>	35077	13557	<b>48634</b>	35077	13557	<b>48634</b>
Age : 60 -69	4808	7090	<b>11898</b>	4808	7090	<b>11898</b>	4808	7090	<b>11898</b>
Age: 70+	1484	3086	<b>4570</b>	1484	3086	<b>4570</b>	1484	3086	<b>4570</b>

Source: 2007 community survey

**Chart 01: Municipality Households status**



### ***Socio-Economic Status***

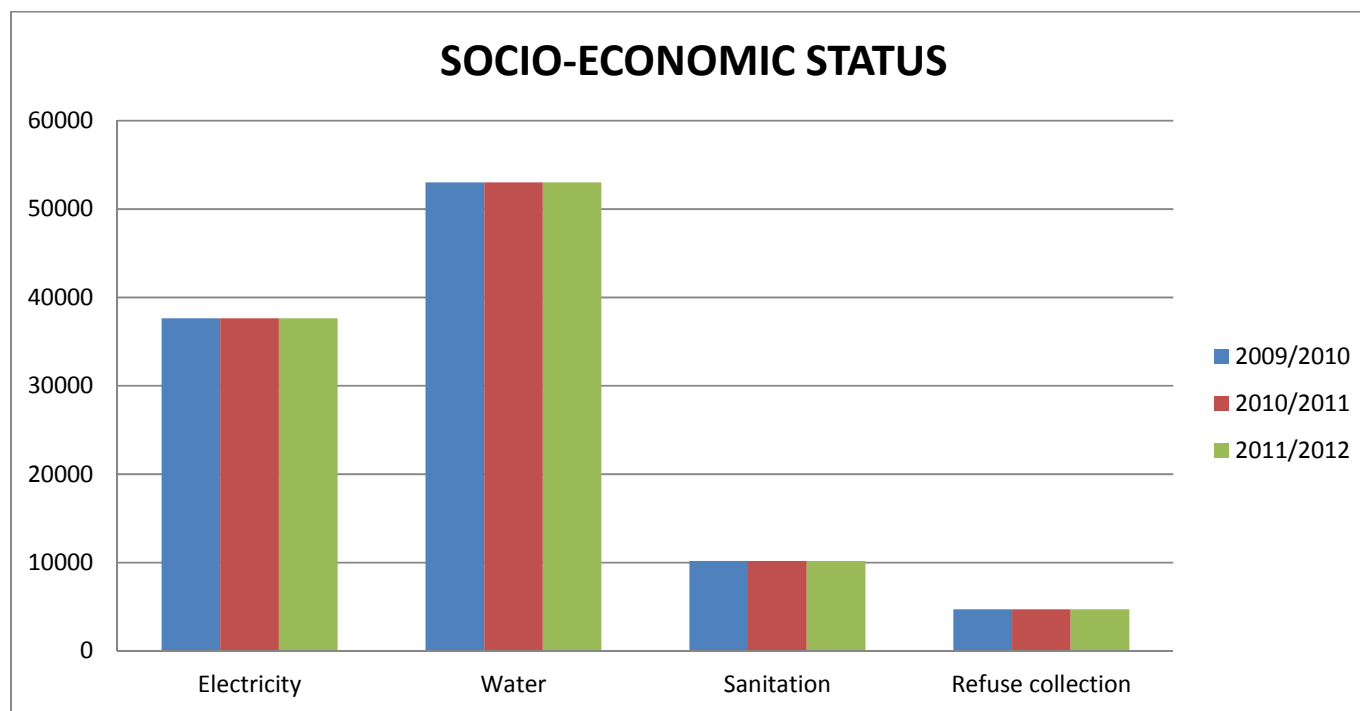
Since the 2007 community survey, there have not been any formal surveys conducted in the municipality. Therefore this report will rely on the 2007 community survey for all three consecutive financial years.

***Figure/Table 05: Socio Economic Status***

Socio Economic Status						
Year	Housing backlog as per proportion of current demand	Unemployment rate	proportion of households with no income	proportion of population in low - skilled Employment with no income	HIV/AIDS Prevalence	Illiterate people older than 14 years
2009/2010	24%	15%	40%	12%	2.3%	41%
2010/2011	24%	15%	40%	12%	2.3%	41%
2011/2012	24%	15%	40%	12%	2.3%	41%

*Source: 2007 community survey*

Chart 2 : Socio – Economic



Source: 2007 community survey

**Figure/Table 06: Overview of Neighbourhoods within Tubatse Municipality**

Overview of Neighborhoods within Tubatse Municipality		
Settlement Type	Households	Population
Towns		
1. Burgersfort	926	3707
2. Ohrigstad	172	688
3. Steelpoort	189	756
SUB-TOTAL	1287	5151
Townships		
1. Praktiseer	2331	11655
2. Mapodile	691	3 455
SUB-TOTAL	3022	15 110

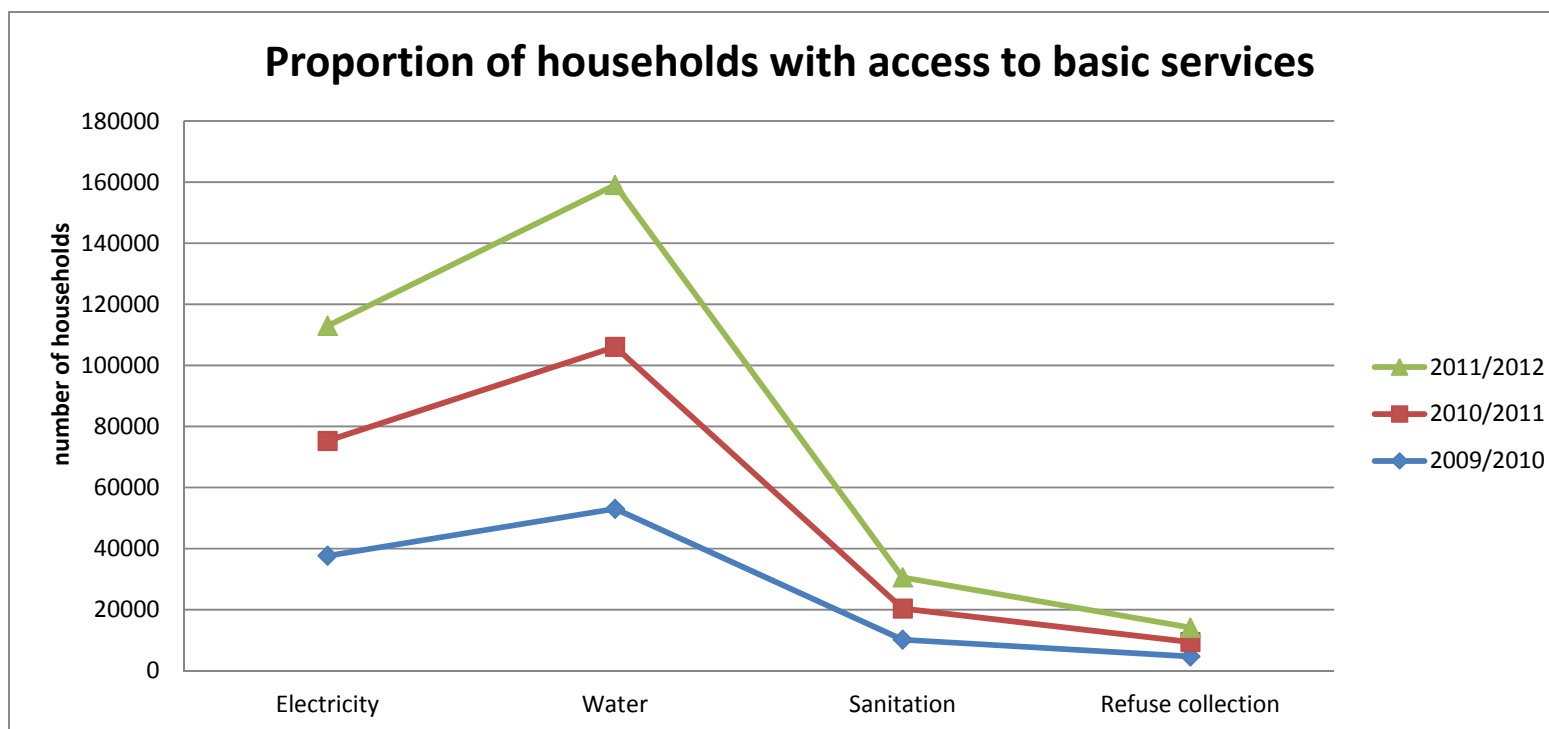
Rural Settlement	61 539	320 860
Informal settlement	1250	7500

**Figure/Table 07: Natural Resources**

Natural Resources	
Major Natural Resources	Relevance to Community
1. Mineral resources	Economic empowerment
2. Arable land	For agriculture
3. River	Water for irrigation and domestic
4. Caves and waterfalls	Tourism

### 1.3. SERVICE DELIVERY OVERVIEW

Chart 3: Proportion of Households access to Basic Services



Source: 2007 community survey



### **1.3.1. Introduction**

Greater Tubatse Municipality does not have authority to provide most of the basic services that are priority to the communities like water and sanitation; Electricity and Housing as indicated before, it only collect refuse. Electricity provision is the competency of DOE and ESKOM is agency; water is provided by Sekhukhune district Municipality and Housing is the competency of COGHSTA.

### **1.3.2. Electricity**

According to COGTA's 2009 Basic services publications, in 2009 the electricity backlog in municipality was at 30% (28 961 households). But since then numerous interventions were made to assuage the backlog. In 2010/11 financial year the municipality electrified 2813 households in Maepa, Kgotlopong and Maahlashi phase one; ESKOM electrified 1875 households in Thokwane, Masete and Sehunyane. In 2011/12 financial year the municipality through DOE has planned to electrify 2088 which was to benefit nine villages namely, Maahlashi, Mafarafara, Ga-malepe, Ga- Moraba, Ga- Motshana, Ga- Mokgotho, Maretlweneng, Mankele and Ga-Mamogolo. When the financial year ended only Maahlashi was electrified and others were have just appointed contractors. These delays in the implementation of the projects resulted in DOE withdrawing R9.8million of the allocated budget and that affected the completion of the projects. The projects were then carried over to 2012/13 financial year. In the same financial year 2011/12 ESKOM electrified 3160 households at the following villages: Makofane, Motloulela, Modubeng, Ga- Phala, Malokela, Kgopaneng, Makubu and Moshira.

### **1.3.3. Collection of free basic electricity**

Out of 39 000 indigent households identified by 2007 community survey in Greater Tubatse municipality 15.55% (6067) were collecting electricity tokens monthly in the 2011/12 financial year.

### **1.3.4. Refuse removal**

Municipality collects refuse only in urban areas which are the two townships, Praktiseer and Mapodile and three towns namely Burgersfort, Ohrigstad and Steelpoort. Refuse is collected weekly in the abovementioned areas. Total of 4309 households benefited from the services in the financial year under review. Refuse collection in Burgersfort is rendered by contracted service provider and in other areas the municipality is collecting on its own.

### **1.3.5. Capital projects**

Eleven capital projects were constructed in the financial year under review, comprising six access bridges, sport complex and three internal streets.

#### **1.3.5.1. Access bridges**

The access bridges were the following:

- ❖ Alverton access bridge;
- ❖ Dresden access bridge;
- ❖ Marapong access bridge;
- ❖ Mokobola access bridge;
- ❖ Molawetsi access bridge; and
- ❖ Motlolo Access bridge.

#### **1.3.5.2. Sport complex**

The sport complex was constructed at Ga- Mapodile. It is a multi-year project. Only the first phase was constructed and the project will continue in the coming financial year (2012/13)

#### **1.3.5.3. Internal streets/access road**

Municipality constructed four internal streets at Burgersfort, Praktiseer and Ohrigstad and Ngwaabe access road.

### **1.4. Financial Health overview**

For the financial year under review the municipality collected revenue of R252 511 272 compared to R203 296 754 collected in 2010/11 financial year which is 24% increase. Remarkable achievements are collections on property rates and rental of facilities and equipments increased by 41% and 91% respectively; the payment of R22.9 million by Department of Rural Development and Land Reform .

The actual expenditure of the municipality for the financial year under review is R185 251 027 compared to R184 226 021 for the 2010/2011 financial year which made an increase of 0, 5%. Employee cost and repairs and maintenance increased by 2% and 29% respectively. The table below depicts the financial overview of the municipality in 2011/12 financial year.

**Figure/Table 08: Financial overview**

<b>Financial Overview- 2011/2012</b>			
Details	Original budget	Adjustment budget	Actual
Income	R246 326 977	R247926 97	R252 511 272
Grants	R118 242 550	R118 242 550	R161 505 853
Taxes, Levies and Tariffs	R61 925 692	R61 925 692	R83 723 879
Others	R11 833 735	R13 058 735	R7 855 015
Sub- Total	R190 401 977	R191 626 977	R253 084 747
Less Expenditure	R190 401 971	R191 626 052	R188 163 295
Net Total	(R6)	(R2 925)	R64 921 452

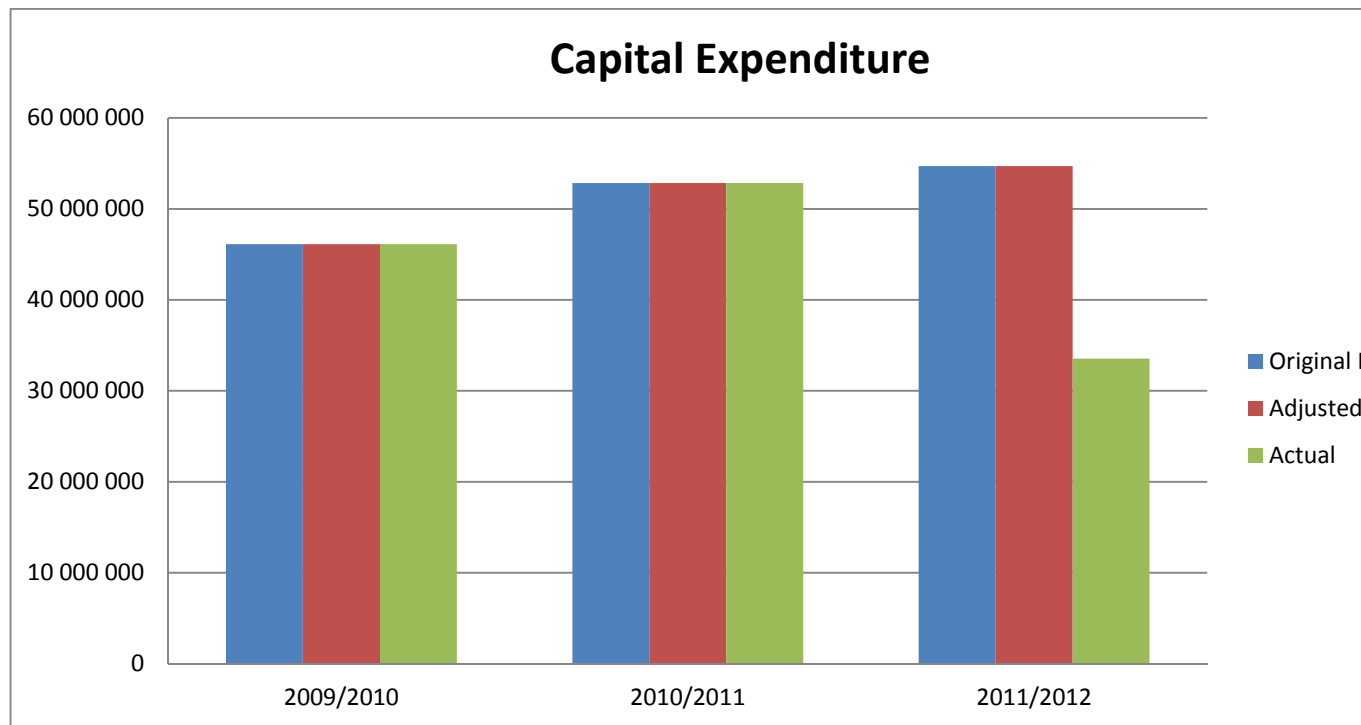
**Figure/table 09: Operating ratio**

<b>Operating Ratios</b>	
Details	%
Employee cost	44.4%
Repairs and Maintenance	5.1%
Finance charges and Depreciation	24.7%

**Figure/table 10: Total Capital Expenditure**

<b>Total Capital Expenditure 2009/2010 – 2011/2012</b>			
Details	2009/2010	2010/2011	2011/2012
Original budget	R46 134 277	R52 851 000	R54 700 000
Adjusted budget	R46 134 277	R52 851 000	R54 700 000
Actual	R46 134 277	R52 851 000	R33 556 908.57

Chart 04: Total Capital Expenditure



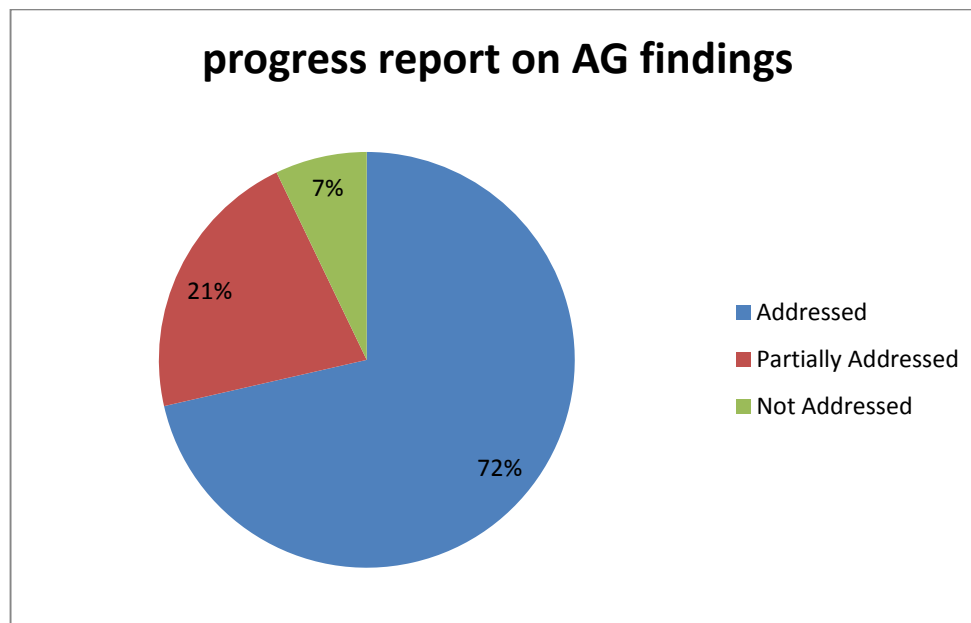
### 1.5. Organizational Development overview

The municipal has 229 employees; 125 are for core operational functions and 104 for support functions. The core operational functions comprise Community services, Technical and Economic and land development departments and support functions are Finance, corporate and Office of the municipal manager. In the financial year under review, the municipality empowered its employees with different courses; a full report is presented in chapter 04. In the same financial year, the municipality lost five (5); two (2) resigned and three (3) passed on.

## 1.6. Auditor General Report 2010/11

Of 14 queries A.G. raised against the municipality in 2010/11 financial year, 10 are addressed, 3 partially addressed and 01 not addressed when the financial year ended. The diagram below depicts the situation.

**Chart 05: progress made in addressing A.G. Findings**



Source: 2011/12 3<sup>rd</sup> quarter Internal audit report

## 1.7. Statutory Annual Report Process

Section 127(2) of MFMA Act 56 of 2003 mandates the Mayors of Municipalities to table an annual report to the Council seven months after the end of the financial year. The Annual report comprises the annual performance report and the financial statement. Within the same period of the financial year, 25 January accounting officers are mandated by section 72 (1) the MFMA to assess the performance of the municipality during the first half of the financial year.

According to section 127(5) of the same act, the Accounting officers should immediately after the report was tabled in council make the report public; invite local community to submit representations in connection with the Annual report and submit the report to A.G, relevant provincial treasury and provincial department responsible for local government in the province. The table below precisely depicts Annual report processes starting from planning, implementation, reporting to oversight.

**Figure/Table 11: Statutory Annual Report process**

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 <sup>th</sup> quarter Report for previous financial year	
4	Submit draft 10/11 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	March
16	Council adopts Oversight report	
17	Oversight report is made public	

18	Oversight report is submitted to relevant provincial councils	April
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input.	May

## **CHAPTER 02: GOVERNANCE**

### **COMPONENT A: POLITICAL AND ADMINISRATIVE GOVERNANCE**

#### **2.1. Political Governance**

##### **2.1.1. Introduction**

The municipality has established both section 79 and 80 committees for effective and efficient performance of its functions; to assist executive committee and Council to perform its functions. Established section 79 committees are Rules committee, MPAC and Audit committee; and they are all functional. Section 80 committees established are Finance, Economic and land development, Technical services, corporate services and Community services portfolio committees.

For effective day to day running of the municipality, the Mayor, the Speaker and the chief whip meet regularly to discuss council programmes and plan future projects. The three offices have a healthy relationship. Apart from the three offices mentioned above, the municipality has four other fulltime councillors who are members of the Executive committee, namely: heads of Technical services, corporate services, finance and Economic and land Development. The other heads of departments, namely: community services and deputies heads are part –time. Below are photos, names and responsibilities of the three political office bearers and Executive committee members for 2011/12



### 2.1.1 (a) The Mayor



**Cllr N.J. Mahlake**

#### **Functions of the Mayor**

- Presides at meetings of the Executive committee;
- Decide when and where the executive committee will meet;
- Ensure that meetings of Executive committee are conducted in accordance with its rules and procedure;
- Coordinates the annual review of IDP;
- Provides general political guidance over the fiscal and financial affairs of the municipality;
- Provides general political guidance over the budget process and priorities that must guide the preparation of a budget;
- Enters on behalf of the municipality, into a performance agreement with the municipal manager;
- Approves Service delivery and Budget implementation plan of the municipality;
- Reviews the performance of the municipality and report to council
- Represent the municipality at IGR forum; and
- Performs other duties, including ceremonial functions, and exercises the powers delegated to the mayor by the council or executive committee as reflected in the delegation policy of the GTM

## **(b) The speaker**



**Cllr Q. M. Moeng**

### **Functions of the Speaker**

- Presides at meetings of Council;
- Decide when and where the Council meets;
- Grants leave of absence to councillors for Council meeting;
- Signs the minutes of Council meetings;
- Performs the duties and exercise the powers delegated to the speaker in terms of section 59 of the MSA;
- Ensures that council meets at least quarterly;
- Maintain order during council meetings;
- Ensures compliance in the council and council committees with code of conducts set out in schedule 1 of MSA;
- Ensures that council meetings are conducted in accordance with rules and orders of the council; and
- Any function as per delegation policy of GTM

**( c) Chief Whip**



**Cllr S.M.Nkosi**

**Chief whip**

- Informs councillors of Council and Executive committees meetings called by the Speaker and Mayor respectively;
- Ensure that the meetings of the council and committees of the council form quorum;
- Informs councillors of the Council and Executive committee of the important items on the relevant agenda;
- Advise the speaker on the amount of time allocated to speakers and the order of such Speakers in addressing Council;
- Ensures that councillors' motions are prepared and timeously tabled in council in terms of Rules of order;
- Advises the Speaker and the Mayor on how to deal with important items not disposed of at a Council meeting pending its resolution;
- Advises the Speaker and Mayor on the agenda of Council meetings;
- Advises the Speaker and Mayor of urgent motions in writing prior to the commencement of the meeting;
- Assists the speaker with accounting of votes; and
- Prepare for special debates on the state of the municipality address or budget address

#### **(d) Executive committee members**

Pictures below are pictures of the last Executive committee of the 2011/12 financial year. Among the Executive committee members who started the financial year was cllr. Manotwane R.R who due to restructuring of Executive committee was replace by cllr. Lourens R.F.



Cllr. Mohlala P.A

Head: Technical services



Cllr. Khoza M.R

Head: Community services



Cllr. Mphogo S.C

Head: Finance



Cllr. Nkosi M.D

Head: Corporate services



Cllr. Seruthwane S.O

Head: Economic and Land  
Development



Cllr. Malatjie M.A

Deputy Head: Technical services



Cllr. Makgoga M.E

Deputy Head: ELD



Cllr. Lourens R.F

Deputy Head: Community services



Cllr. Moraba L.D

Deputy Head: Finance

## **(e) Councillors**

The sitting council was inaugurated on the 2<sup>nd</sup> June 2011. It comprises 62 councillors of whom 31 are ward and 31 PR councillors. Two male councillors are living with disabilities. 40% of the councillors are female and 60% are men. The council was inducted into its new responsibilities from 11 to 15 July 2011 by COGHSTA. The council had thirteen (13) meetings in the financial year under review; four (4) ordinary and nine (9) special councils. The fourth ordinary council meeting overlapped into the 2012/13 financial year. The table below depicts the picture.

<b>Ordinary council</b>		<b>Special Council</b>	
<b>Date</b>	<b>Number of councillors attended</b>	<b>Date</b>	<b>Number of councillors attended</b>
04 October 2011	53	04 August 2011	47
31 January 2012	46	15 August 2011	50
03 May 2012	49	20 October 2011	42
31 July 2012	49	02 March 2012	34
		30 March 2012	42
		18 May 2012	46
		01 June	47
		22 June 2012	46

### **2.1.2. Political Decision – taking**

Decisions in the municipal Council are taken through resolutions. For a resolution to stand should be supported by the majority of councillors attending the council. Council meets quarterly to take decision for administration to implement. Four ordinary and nine special councils were recorded in the financial year under review. 101 resolutions were taken in the financial year under review; 43 implemented; 54 were for noting; implementation of the last four was on progress when the financial year ended; which are:

- ❖ Resolution A137/2012;
- ❖ Resolution SA16/2012;
- ❖ Resolution SA17/2012; and
- ❖ Resolution SA26/2012

## **Administrative Governance**

### **2.2.1. Top administrative structure**

#### **2.2.1.1. Municipal Manager**



**Mr. H.L. Phala**

#### **Functions of Municipal Manager**

- Advises the structures and functionaries of the Municipality;
- Carries out the decision of the structures and functionaries of the Municipality;
- Administers and implements the Municipality's by-laws, resolutions and policies;
- Ensures that the municipality complies with applicable municipal finance management legislation;
- Implements national and provincial legislation applicable to the Municipality

### **2.2.1.2. Chief Finance Officer**



**Mr. M.L. Mokwena**

#### **Functions of CFO**

- Manage Revenue collections;
- Manage Expenditure controls;
- Manage Budget services;
- Manage Supply chain;
- Asset management; and
- ICT management



#### 2.2.1.4. Acting Director ELD



**Mr. Obakeng Mashiane**

##### Functions of Director ELD

- Render LED services;
- Render land use and town planning services and GIS;
- Facilitate housing allocation services.

#### 2.2.1.5. Director Corporate Services



**Mr. S.F. Mkhabela**

##### **Functions of Corporate Services**

- Render HR management;
- Provide legal advisory services;
- Provide IEC services;
- Manage and maintain municipal administration.

#### 2.2.1.6. Director Community services



**Ms. D.K. Boshego**

##### **Functions Community services**

- Renders environmental health services to the community;
- Renders social services including Library, sport, art & recreation , Disaster management, parks sand cemeteries;
- Traffic protection services

#### 2.2.1.8. Technical services



**Mr. H.B. Mohlaba**

##### Functions of Technical Services

- Ensure adherence to Civil engineering standard
- Render waste management services;
- Provide project management for implementation of infrastructure development

## **COMPONENT B: INTERGOVERNMENTAL RELATIONS**

### **2.3. Intergovernmental Relations**

The Intergovernmental relation unit is located in corporate services. The unit deals with customer care, both Presidential and Premier hotlines and walk in queries from the communities. The performance of the municipality on the presidential and Premier hotline has improved due to the operation of the unit. It was recorded as the best performing municipality on the two hotlines in the Sekhukhune District municipality.

The municipality is participating in a number of provincial forums which included the IDP and PMS Provincial forums, Premier's Mayors forum, Mayor's forum and Speaker's forum. The IDP and PMS forum are instrumental in the cascading and aligning the provincial programmes into the municipalities. Premier's Mayors forum is a strategic forum which gives strategic direction of the municipalities in the Province.

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

### **2.4. Public meetings/engagements**

The municipality has established a number of public participation forums through which it accounts to the community, namely: Exco – outreach/Imbizos, ward management committee, IDP/Budget/PMS forum, and state of the local municipal address and public dialogue on the local radio.

#### **2.4.1. Exco - outreach**

The municipality runs two types of Exco – outreaches namely, the issue based and quarterly ExCo – outreaches. The Issue based Exco- outreaches are those outreaches that are called to address a particular issue that may need urgent attention without going through the ordinary Exco – outreach route. In the financial year under review no such outreach was conducted.

Quarterly Exco – outreaches are programmed outreaches that are conducted quarterly. For the financial year under review, four outreaches were scheduled and two materialized. By the end of the financial year 40% of the issues raised in Exco – outreaches were addressed.

The municipality ran the following special programmes which were located in the Mayor's office: meeting with Magoshes, youth council, children programme, programme for people living with disabilities and elderly programmes. Traditional leaders are one of the strategic partners as most of the land in the municipality is under the control; hence the municipality values its relation. Other programmes are done as national mandate to empower the abovementioned groups.

#### **2.4.2. IDP/PMS forums**

IDP/PMS forum comprises the municipality representatives, sector departments, business and mining houses, ward management committees and Non – Governmental Organizations. The forum is chaired by the Mayor. The forum met twice in the financial year under review, with the first forum met to present the municipal plans for the 2011/2012 and progress report for 2010/11 financial year projects. The second forum was held to present 2012/13 financial year projects and progress for 2011/12 financial year projects.

#### **2.4.3. IDP/PMS public consultation**

For 2012/13 draft IDP document, the municipality conducted ward to ward public consultations. A team led by Executive committee members was dispatched to different wards to present the draft IDP document and to collect information from the public. All 31 wards were visited. The approach was effective as every ward was able to present needs, but attendance in some wards was not satisfactory.

Inputs made on the document were incorporated in the final IDP; issues that needed other spheres of government were submitted to them.

#### **2.4.4. State of the Local Municipality Address**

State of Local Municipal address is annual event where the Mayor presents progress report of the previous financial year and plans for the year that follows. The 2012/13 SOLMA was held on the 9<sup>th</sup> July 2012 at Ngwaabe area. Different stakeholders attended the event and the community was entertained by local artists sponsored by Madigage foundation.

#### **2.4.5. Wards committees**

Ward management committee is a progressive structure created to represent interests of different communities' structures in its local government and to assist ward councillors to carry out their duties. It is a communication channel between the residents of the ward and the municipality. According to the public participation manual of the municipality, ward management committee should do the following:

- ❖ An advisory body of the councillor;
- ❖ Be independent; and
- ❖ Must be impartial in performing its functions without fear, favour or prejudice.

Ward committees should meet monthly and call for public meetings at least ones per quarter. Quorum in ward management Meetings is constituted by 50% + one member.

After the 2011 demarcations of municipalities, Greater Tubatse municipality has acquired extra two wards to make the number of wards 31. Each ward has elected ward management committee which is chaired by the ward councillor. All ward committees in Sekhukhune District municipality were inaugurated in a cluster by Sekhukhune District municipality in Fetakgomo local municipality. They were later inducted into their work by COGHSTA.

To improve the functionality of the ward management committees, council has adopted the feedback loop. A feedback loop is a monitoring tool which outlines feedback timeframe to the community. That is it set out period that should be taken by ward committee and council to address matters raised by communities.

Key issues raised by communities are:

- Lack of electricity in some areas;
- Impassability and construction of access roads;
- Insufficient Water supply and illegal connection in the rural areas;
- High rate of unemployment among the youth; and
- Insufficient provision of Sanitation

The table below summarized issues discussed in different public meetings and the dates the meetings were held. A full detailed report of the monthly wards committee and quarterly mass meetings is depicted on appendices E and F.

**Figure/Table 12: Public meetings**

Public meetings					
Nature and purpose of the meetings	Date of events	Number of participating municipal councillors	Number of participating municipal Administrators	Number of community members attending	Date and manner of community feedback
1. IDP/PMS forum	21 April 2011	07	22	566	Feedbacks are given during the next forum, and through ward Councillor who update the communities during quarterly mass meetings
2. SOLMA	09 June 2012	20	42	600	Quarterly and annual reports report progress on the speech by the Mayor during SOLMA.

## 2.5. IDP Participation and Alignment

**Figure/table 13: IDP Participation and Alignment**

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes



## COMPONENT D: CORPORATE GOVERNANCE

### 2.6. Risk management

Risk management unit in the municipality is attached to the office of the municipal manager. The municipality had also a Risk management committee comprising five members. In the financial year under review, the unit had two staff members; Senior Risk officer who join the municipality towards the end of the financial year and the Risk officer.

The operation of Risk committee was not efficient. Delays by departments to develop and mitigate on their risks and limit knowledge of the risk committee member on risk management contributed to the inefficiency of the risk committee. A risk management workshop was arranged for risk committee members and that will improve risk management in the municipality.

### 2.7. Anti – corruption and fraud

The municipality has a draft anti – corruption and fraud policy which will be taken to council for adoption in the coming financial year.

### 2.8. Supply Chain management

Regulation 38 (1) of the Greater Tubatse Supply Chain Management policy sets all the factors for combating the abuse of the supply chain management processes. All the bidders are required to complete the MBD 4 form (aimed at getting a declaration from the bidder that s/he is not in the service of the state), MBD 8 (aimed at getting historical working relations between the client and the contractor/service provider with regard to the execution of past contracts) and MBD 9 (aimed at restricting collusive bidding during tendering).

The supply chain management unit is also conducting a clearance of prospective bidders with National Treasury ([restrictions@treasury.gov.za](mailto:restrictions@treasury.gov.za)) prior appointment of service providers / contractors to determine if they are not blacklisted / restricted from doing business with the public sector and municipalities in particular). This is in compliance to the MFMA Circular No. 46

Supply Chain Management practitioners, members of the bid committees and every municipal official are required to declare their financial interests on annual basis.

## 2.9. By-laws

No new by- law was promulgated in year under review. Insufficient resources both human and material hampered the implementation of the existing by- laws in the municipality. An example is the noise pollution by-law, lack of sound meters make it difficult for the municipality to implement the by-law. The municipality is planning to improve in this area in the coming financial year.

## 2.10. Website

The loading of website is the competency of municipal communication unit. In the year under review, the municipality had an unsatisfactory performance on loading of websites. To alleviate the challenge communication Secretariat committee comprising a representative from each department was established. The scope of the committee was to collect issue for website from the various departments to be loaded on website; research on matters of community interest to be presented in the municipal newsletters and lastly to research and report on media issues for communication unit to release an informed media responds. Below is list of matters and dates on which matters were loaded in the municipality website.

**Figure/Table 14: Municipal website**

Municipal Website		
Documents published in the Municipal website	Yes/No	Publishing date
Current annual and adjustments budget and budget related documents	yes	27/10/2011
All budget related policies	Yes	02/03/2011
The previous annual report(2010/2011)	Yes	25/07/2011
The annual report (2010/2011) published/ to be published	No	None
All current performance agreements required in terms of section 57(1)(b) of the MSA (2010/2011) and related scorecards	No	None
All service delivery agreements (2011/2012)	No	None
All long term borrowing contracts (2010/2011)	No	None
All SCM contracts above a prescribed value for 2010/2011)	No	None
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during 2010/2011	No	None
Contracts agreed in 2010/2011 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	None
Public – private partnership agreements referred to in section 120 made in 2011/2012 financial year	Yes	15/12/2011
All quarterly reports tabled in the Council in terms of section 52 d)	Yes	25/07/2011

## **2.11. Public Satisfaction on municipal Services**

Department of Co-operative Governance, Human settlement and Traditional affairs appointed the LBMC consulting in 2010/2011 financial year to conduct a study on the perception of people on their municipality and the services municipalities are providing. Eleven Municipalities in the Limpopo growth points including Greater Tubatse were identified for this project.

### **2.11.1. Number of people interviewed**

14 households in each 31 wards in the municipality were interviewed. 10% of the 434 interviewed household were found to be satisfied with the municipality, while 10.2% were found to be happy with the standard of service delivery in the municipality. The table below depicts the perception of the community on Greater Tubatse municipality and the services it is providing.

**Figure/Table 15: Client satisfactions survey findings for 2009/10 and 2010/11 financial years**

Satisfaction Survey undertaken during 2008/2009 and 2009/2010							
Subjects matters of survey	Survey Method	Survey dates		No of people included in survey		Survey results indicating satisfaction or better (%)	
Overall satisfaction with		2009/2010	2010/2011	2009/2010	2010/2011	2009/2010	2010/2011
(a) Municipality	Face to face interview with randomly selected customers	December 2010	December 2011	406	434	29.71%	10.2%
(b) Municipal service delivery	Face to face interview with randomly selected customers	December 2010	December 2011	406	434	49.4%	10%

## Chapter 03

### **SERVICE DELIVERY PERFORMANCE (Performance report part I)**

#### **COMPONENT A: BASIC SERVICES**

##### **Introduction**

One of the five objects of the local government is to ensure the provision of services to community in sustainable manner. As indicated in this report, Greater Tubatse Municipality does not have authority to provide most of the basic services that are priority to most of its communities like water, Housing, electricity and sanitation. Nevertheless the municipality through the help of Department of Energy has electrified some of its villages in particular villages in ward 16.

##### **3.1. Electricity.**

The table below depicts progress made in the installation of grid electricity in the municipality. Eight (8) villages were prioritised for the financial year under review. Maahlashi was a two year project which started a year ago and completed in the 2011/12. The remaining seven (7) projects were at 35% completion when the financial year ended as reflecting in the template below. Delay in commencement of the projects resulted with the withdrawal of R9 800 000 from the projects by Department of Energy (DOE); and hence the late completion of the projects. The projects are then carried over to be completed in the 2012/13 financial year.

Apart from the above mentioned electrification by the Municipality, there were other connections made by ESKOM in Ga-Makofane, Motloulela, Modubeng, Ga- Phala, Malokela, Kgopaneng, Makubu and Moshira.

Figure/table 16: Highlights on the progress on the electrification projects

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To facilitate increased allocation of grid electricity	Maahlashi	Phase one completed	% progress in electrification of village(Maahlashi)	100% : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;70% Construction; 5%close out	100% completed	R453,947	None	None
	Mafarafara	New project	% progress electrification of village(Mafarafara)	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5% appointment of Contractor 5%,site hand over;5%signing of SLA;10% Construction	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor 5%,site hand over;5%signing of SLA;15% Construction	R1,256,275	None	None
	Malepe	New project	% progress electrification of village(Ga-malepe)	40% Construction; 5% T.O.R development;5% Advertisement;5%	35% progress made: 5% Appointment of Consultant; 5%	R1,024,295	None	None

				Appointment of Consultant; 5% appointment of Contractor 5%,site hand over;5%signing of SLA;10% Construction;	appointment of Contractor 5%,site hand over;5%signing of SLA;15% Construction			
To facilitate increased allocation of grid electricity	Moraba	New project	% progress electrification of village(Ga-Moraba)	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5% appointment of Contractor 5%	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor 5%	R192,080	None	None
	Motshana	New project	% progress electrification of village(Ga-Motshana )	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5% appointment of Contractor 5%	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor 5%	R568,824	None	None
	Mokgotho	New project	% progress electrification of village(Ga-Mokgotho)	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5%	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor	R758,592	None	None

				appointment of Contractor 5%	5%			
	Maretlweneng	New project	% progress electrification of village(Maretlweneng village)	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5% appointment of Contractor 5%	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor 5%	R1,884,776	None	None
	Mankele	New project	% progress electrification of village	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5% appointment of Contractor 5%	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor 5%	R307,525	None	None
To facilitate increased allocation of grid electricity	Mamogolo	New project	% progress electrification of village	40% Construction:5% T.O.R development;5% Advertisement;5% Appointment of Consultant; 5% appointment of Contractor 5%	35% progress made: 5% Appointment of Consultant; 5% appointment of Contractor 5%	R158,607	None	None
	FBE Benefit	6067 token collected	# of households benefiting from FBE programme	9292	5777	R2,707,033.05	None	None



### 3.2. Waste collections

Waste collections in the municipality are done only in the proclaimed areas, namely: Burgersfort, Mapodile, Praktiseer, Ohrigstad and Steelpoort. A total of 4847 households benefited from this service in the financial year under review. It is an increase of 556 households as compared to the total households served in 2010/2011 financial year.

In the Burgersfort town the service is contracted to Bauba Marumo waste management. In other areas the municipality is collecting on its own. The service is rendered weekly, but during month end in other areas depending on the demand, collection is done more than ones a week. The table below depicts comparison of number of households benefited in 2010/11 and 2011/12 financial years.

*Figure/table 17: Refuse removal*

Areas	Number of households(2010/2011	Number of households(2011/2012
Burgersfort	926	1458
Mapodile	691	691
Praktiseer	2331	2331
Ohrigstad	172	176
Steelpoort	189	191
Total	4309	4847

Due to mining and property development in the municipality, Burgersfort town experienced a high demand on waste collection as more people are attracted to stay at Burgersfort due the standard of services that are provided in Burgersfort; hence 556 new households were added to the waste collection register in the financial year under review. An increase of two (2) households was noted in Steelpoort town. For 2012/13 financial year, the municipality is intending to run waste management through a public private partnership (PPP). As reflected below the procurement process was at 50% when the financial year ended and implementation was planned to be commenced by the 1<sup>st</sup> November 2012. Due to the expired licence for Landfill site, the when the financial ended the municipality was engaged in the process of acquiring new licence and the process was at 40% completion. Table below depict municipal performance on waste management.

Figure/Table 18: Highlights of waste management

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve access to waste management services	waste collection	4734	# of households served with waste removal	4472	4847	R4,027m	Continuous Breakdown of compactor truck	appointed relief truck to address backlog
	Waste management	4	# of waste management report submitted to Council	4: waste management report submitted, July 2011, October 2011, January 2012, April 2012	2 waste management reports submitted to council	R0	None	None
To improve access to waste management services	Refuse Removal	New project	% progress in the facilitation of the PPP waste project	75% progress in the implementation of PPP waste project: 5% T.O.R development ; 5% Advertisement;5%Appointment of preferred bidder; 20% negotiation;20% Community Participation; 5% Appointment of Private party 5% SLA;10% application of closure permit BGF;	50% achieved:5% TOR; 5% Advert ; 5% Appointment of preferred Bidder; 20%; Negotiation; 10 % Community Participation ;0%Appointment of Private Party.0%SLA ;5% Application for Burgersfort Permit	R0	Financial Model is being approved by Team although challenged by Preferred Bidders. The exclusion of Black company directors in the Chapel gate	Community views and Inputs Consolidation. Resolution by Board members to include BEE Partners

							Consortium "SPV"	
	Landfill site	5%	% progress in the facilitation of the establishment of Landfill site	100% progress in the facilitation of the establishment of Landfill site: 20% facilitation; 10% Land acquisition; 15% T.O.R development; 35% Advertisement; 10% Appointment of service provider; 10% hand over	20% facilitation (Land transfer by Land Affairs. Township establishment approved by Council. Process for Transfer of permit at 20%)	R0	Land transfer delayed	Facilitate final transfer by State Disposal Committee. Town establishment. Engage LEDET & Cranbrook Attorney to finalize the transfer

### 3.3. Housing

Housing is not the competency of the local municipality but for the Department of Co-operative Governance Housing and Traditional Affairs. Municipalities play facilitation role. For the year under review the municipality was allocated 1450 houses and the end of the financial year 1397 houses were completed and 53 still outstanding. Due to high number of complains on the allocation of houses, the municipality set itself turnaround time of 14 days to respond to queries raised on housing matters. One complains was received and responded to within 14 days. The table below depicts progress on the housing allocation.

**Figure/table 19: Highlight on Housing report**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To facilitate increased allocation of housing projects	Compliance	New indicator	% progress in the facilitation of construction of 1460 houses for identified and approved beneficiaries	100% progress in the facilitation of construction of 1460 houses for identified and approved beneficiaries: *20% Physical identification of beneficiaries; * 80% Production of quarterly progress report on the	20% done(96.3%) houses completed	R0	53 houses still not completed	On going

				1460 houses				
	Compliance	New indicator	Turnaround time in responding to/ referring housing challenges	14 days	1 complains referred within 14 days of reporting.	R0	None	None but most matters externally influenced.

## COMPONENT B: ROAD TRANSPORT

### 3.4. ROADS

The municipal road network is estimated at 798.9km. 39% of it is surfaced and 61% un-surfaced. These include internal streets and roads that joint different villages. To alleviate the situation Council has adopted a road master plan which will guide road improvement in the municipality. The objective of the municipality is to have all its roads upgraded from grave to tar to improve its impassability and improve connectivity of different villages through the construction of access bridges. For the financial year under review, the municipality has constructed six (6) access bridges and four (4) internal street/access roads. The table below reflects their progress when the financial year ended and the village in which they were constructed.

**Figure/Table 20: Highlights of roads projects**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve accessibility and mobility of transport	Alverton access bridge	New project	% progress in construction of Alverton access bridge	60% progress in construction of Alverton access bridge: 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;30% Construction	100% progress achieved	R2,953,289.95	None	None
	Dresden access bridge	New project	% progress in construction of Dresden	75% Construction; 5% T.O.R development;5%	100% achieved	R3,079,033.40	None	None

			access bridge	Advertisement; 5% Appointment of consultant;5% appointment of Contractor 5%,site hand over;5%signing of SLA;45% Construction;				
	Marapong access bridge	New Project	% progress in construction of Marapong access bridge	75% Construction; 5% T.O.R development;5% Advertisement; 5% Appointment of consultant;5% appointment of Contractor 5%,site hand over;5%signing of SLA;45% Construction;	100% achieved	R3,438,026.88	None	None
To improve accessibility and mobility of transport	Mokobola access bridge	New Project	% progress in construction of Mokobola access bridge	75%Construction : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;45% Construction;	100% Achieved	R3,241,181.37	None	None
	Molawetsi access	New Project	% progress in	75% progress made in	100% achieved	R3,441,271.09	None	None

	bridge		construction of Molawetsi access bridge	construction of Molawetsi access bridge : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;45% Construction;				
	Motlolo access bridge	New Project	% progress in construction of Motlolo access bridge	75%Construction : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;45% Construction;	100% achieved	R3,413,265.66	None	None
	Burgersfort internal street	New Project	100% progress in construction of Burgersfort internal street	100% : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;70% Construction; 5%close out	100% achieved	R1,528,811.82	None	None



To improve accessibility and mobility of transport	Ngwaabe access roads	60%	% progress in construction of Ngwaabe access roads	100% : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;70% Construction; 5%close out	100% progress made. The project is completed	R5,531,914	None	None
	Praktiseer internal streets	New Project	% progress in construction of Praktiseer internal streets	100% : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;70% Construction; 5%close out	Project is 100% completed	R2,775,319.61	None	None
	Ohrigstad internal streets	New Project	% progress in construction of Ohrigstad internal streets	100% : 5% T.O.R development;5% Advertisement; 5% Appointment of service provide;5%site hand over;5%signing of SLA;70% Construction; 5%close out	Project is 100% completed	R2,379,837.34	None	None

To improve development and maintenance of municipal infrastructure	Replacement and repair of assets	New project	Total km of road graded against total km of gravel roads	450km	865.65km	R 372,774.79	Continuous breakdown of machinery. Also this is non renewable resources which are constantly depleted. Improper maintenance of lead to deterioration of gravel roads.	implementation of assets management plan
To improve development and maintenance of municipal infrastructure	Replacement and repair of assets	5 days turnaround time for repairs	Turnaround time in fixing faulty streetlights	7 days turnaround time for repairs of faulty streetlights	Average of five days were taken to fix faulty streetlights	R3,415,246.97	Delay due to unavailability of working material	Service provider encouraged to monitor his stock items level

	Replacement and repair of assets	6days turnaround time for repairs	Turnaround time in fixing faulty Traffic lights	7 days turnaround time for repairs of faulty Traffic lights	30 days turnaround time. Street light: Elephant Hill, Ohrigstad, Steelpoort, Motaganeng High mass light: Traffic light, Steelpoort, Praktiseer: maintenance of Municipal civic centre satellite offices.	R1,478,222.49	Delays in procuring materials & service provider	official order to be generated & issued within 24 hours
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**Figure/table 21: Employee- Technical service department**

Employees: Technical services					
Job level	2010/11	2011/12			
	Employee No.	Post No	Employee No	Vacancies No	Vacancies (%)
0-3	4	4	4	0	0%
4 – 6	4	4	4	0	0%
7 – 9	17	17	17	0	0%
10- 12	16	16	16	0	0%
Total	41	41	41	0	0%

**Figure/Table 22: financial performance for road & storm water**

Financial performance 2011/12: Road & Storm water					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment	Actual	Variance to budget (%)
Total operation revenue	N/A	N/A	N/A	N/A	N/A
Expenditure:					
Employees	R1 022 250	R1 463 510	R1 463 510	R1 543 541	5.47%
Repair and Maintenance	R403 932	R4 116 850	R4 116 850	R3 954 510	3.94%
Others	R6 995 129	R3 684 360	R3 684 360	R3 587 631	2.6%
Total Operational Expenditure	R8 421 311	R9 264 720	R9 264 720	R9 085 682	1.75%
Net Operational (service) Expenditure				R179 038	11.17%

Figure/Table 23: Capital Expenditure 2011/12 financial year

Capital Expenditure 2011/12 financial year					
Capital Projects	2011/12				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Total project value
Alverton Access bridge	R3 100 000	R3 100 000	R2,953,289.95	R146 710.05	R3 100 000
Dresden access bridge	R3 100 000	R3 100 000	R3,079,033.40	R20 966.60	R3 100 000
Marapong Access bridge	R3 450 000	R3 450 000	R3,438,026.88	R11 973.12	R3 450 000
Mokobola Access bridge	R3 450 000	R3 450 000	R3,241,181.37	R208 818.63	R3 450 000
Molawetsi Access bridge	R3 450 000	R3 450 000	R3,441,271.09	R8 728.91	R3 450 000
Motlolo Access bridge	R3 450 000	R3 450 000	R3,413,265.66	R36 734.34	R3 450 000
Burgersfort internal street	R2 100 000	R2 100 000	R1,528,811.82	R571 188.18	R2 100 000
Praktiseer internal streets	R2 900 000	R2 900 000	R2,775,319.61	R124 680.39	R2 900 000
Ohrigstad internal street	R2 500 000	R2 500 000	R2,379,837.34	R120 162.66	R2 500 000
<b>Total</b>	<b>R27 500 000</b>	<b>R27 500 000</b>	<b>R26 250 037.12</b>	<b>R1 249 962.88</b>	<b>R27 500 000</b>

### **3.5. Transport( Including Vehicle Licensing & Public bus Operation)**

#### **3.5.1. Introduction**

The municipality has introduced numerous initiatives to improve road safety within its borders which include three road safety campaigns; 14 joint operations conducted in co-operation with the Department of Transport in Limpopo; upgrading of Steelpoort road worthy centre; establishment of testing station at Burgersfort and extension of Praktiseer testing station.

#### **3.5.2. Road Safety Campaigns**

The municipality conducted three types of road safety campaigns, namely Pedestrian road, Arrive alive and scholar transport safety campaigns. For the financial year under review Pedestrian road safety was held at Mmiditsi high school on the 21 September 2011; two Arrive alive campaigns one on 06 December 2011 at Steelpoort bridge and second on 5 April 2012 at Bothashoek and the scholar transport safety campaign on 20 March 2012 at Tswelepele sport ground.

#### **3.5.3. Joint Operations**

14 joint operations were conducted in the 2011/12 financial year in cooperation with Department of roads and Transport Limpopo. The table reflects dates and place where the operations were held.

#### **3.5.4. Extension of Praktiseer testing station**

When the financial year ended the following work was done; Clearing & debushing of the site; fencing and paving materials were delivered on site. Land dispute on the ownership of the identified land impeded the project. The due processes to settle the dispute is at advance stage.

#### **3.5.5. Establishment of Burgersfort Testing Station**

When the financial year ended the project was at 75% completion. Project site was identified; the renovation completed and application for DRT done. Delay in response from the Department of Road and Transport delayed the functioning of the test centre. The table depicts detailed information on the above campaigns.

**Figure/Table 24: Highlights of Road safety campaigns and revenue**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve revenue collection	Road Safety Campaign	4	# of Road safety campaigns held	Two (2) Road safety campaigns held: *One (1)Pedestrian road safety campaign *One (1)Arrive alive Campaign and one scholar transport safety campaign	Four Road safety campaigns held: pedestrian road Safety campaign held during MMiditsi cluster events on the 21 September 2011; Arrive alive launched on 06/12/ 2011 at Steel bridge; scholar transport safety campaign held on the 20 March at Tswelopele Sports ground and arrive Alive held on	R37 000	None	None

					05 April 2012 at Bothashoek			
To improve revenue collection	Joint Operations <sup>5</sup>	10	# of joint operations conducted	Ten(10) joint Operations conducted	Fourteen(14) Joint operations conducted: On 09/09/ 2011 Joint Operations at R37 next to Tswelopele Sports Ground, 14/09/2011 ; at R555 Ohrigstad road Appiesdooring; 09/11/2011 at Bothashoek junction ; 18/11/2011 at Motsepula; 16/12/2011 at Bothashoek junction; One (1) joint operation with Tubatse SAPS and EMS Dilokong on the 28 March 2012 at R37 Tswelopele; Other five	R0	Insufficient traffic vehicle	Add the present traffic fleet with four new vehicles



					operations held during Easter from 06-09 April; 27 April 2012 at R37 Bothashoek; 25 May Appiesdooring; 29 June Interprovincial operations			
To improve revenue collection	Traffic fines	R584 238	R-Value collected from traffic fines	R820 000	R399 800	R399 800	Insufficient traffic vehicle	Purchase of new vehicles for traffic management
To improve revenue collection	Registration and Licensing	R979 104	R-Value collected from Reg & Licenses.	R2 000 000	R6 589 406.55	R6 589 406.55	None	None
To improve revenue collection	Licenses processing	4 week	Turnaround time for processing driver's licenses.	3 weeks turnaround time for processing driver's licenses.	It took the municipality on average 2 weeks to process driver's license	R0	None	None
To improve development and maintenance of municipal infrastructure	Extension of Praktiseer Testing Station	5%	% Progress in the extension of Praktiseer Testing Station	100% Progress in the extension of Praktiseer Testing Station:* 30% Clearing & Debushing;*	55% work done comprising: 30% for Clearing & debushing; 25% for delivery of	R0	The neighboring businessman is contesting the ownership of the land the municipality	Economic and land development department to clarify the ownership of the land

				30% Fencing; 20% Paving;* 20% Marking of the testing ground	the materials for both fencing and paving on site. The municipality was able to address the challenges of staff shortage and insufficient fund in the vote it encounter during the course of the financial year through parolees and viament respectively.		wanted to extend the testing station to, hence the project was delayed and did not commence.	before the project commence
To improve development and maintenance of municipal infrastructure	Establishment of Vehicle pound	0%	% progress in sourcing funding for the establishment of Vehicle pound	100% progress in the sourcing funding for the establishment of Vehicle pound. 50 % Business Sector 25 % MIG 25% submission to	20% progress is done in the sourcing funding for the establishment of Vehicle pound: 20% for request letters made to both Marula and Modikwa	R0	Identified mines did not respond adequately to the municipal request	Follow ups were made until the KPI was withdrawn

				IDP.	Mines. Marula mine never responded, while Modikwa promised that it will call the municipality to make presentation, which they did not. The municipality wrote follow up letters and were not responded to(The KPI was withdrawn during budget adjustment due to lack of support from the mines)			
To improve development and maintenance of municipal infrastructure	Establishment of Animal pound	0%	% progress sourcing funding for the establishment of Animal pound	100% progress in the sourcing funding for the establishment. 50 % Business Sector 25 % MIG 25%	15% progress is done in the sourcing funding for the establishment of Animal pound which comprise: sending letters	R0	Insufficient fund to conduct the programme	The KPI was withdrawn for 2011/12 financial year

				submission to IDP.	to Marula and Modikwa mines. Dept of Agriculture was called in to assist with the development of specification after lack of capacity was identified			
To improve development and maintenance of municipal infrastructure	Establishment of Burgersfort testing station	New project	% progress in the establishment of Burgersfort testing station	100% progress in the establishment of Burgersfort testing station: *25% site identification; *25% renovation of the identified site; *25% Application to DRT; *25% Functionality of the centre	75% progress made on the establishment of Burgersfort testing station comprising: 25% of site identification; 25% renovation of the identified site; *25% Application to DRT	R 11,301.00	No reply from the Department of roads and transport.	Constant follow ups with Dept. of road and Transport
To improve development and maintenance	Upgrading of Steelpoort RWC	0%	% progress sourcing funding for the	100%. In the source for funding for the upgrading of	20% progress is done in the source for funding for the	R0	Delays in Identification of needs and costing before	The KPI withdrawn during budget adjustment

of municipal infrastructure			Upgrading of Steelpoort RWC	Steelpoort RWC: 50 % Business Sector 25 % MIG 25% submission to IDP.	upgrading of Steelpoort RWC comprising: Needs are Identified ; a request letter for funding has been written and send to Marula mine		approaching the business sector.	
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## COMPONENT C: PLANNING AND DEVELOPMENT

### 3.6. 1. Introduction

The majority of land in the municipal area is held in trust for the community by traditional authorities, which have a major influence on the manner in which land is made available to individuals for settlement, as well as the use thereof for economic purposes. The southern and | Eastern parts of the municipality is privately owned and mainly used for Agriculture.

The mining developments in the Northern and West part of the municipality provide both challenges and opportunities. They provided job opportunities to the citizen even though they are not enough to permanently uproot the unemployment in the municipality. There are also sporadic activities of crime due to high influx in the municipality.

In order to address the underdevelopment, the municipality has identified Economic hubs areas, which may be given priority in development to ensure that the development in the municipality is streamlined. Identified local economic hubs are Driekop, Mecklenburg and Ohrigstad; District one is Steelpoort and Burgersfort is provincial.

### 5.5.2. Planning

As indicated in the introduction, land ownership and land invasion pose developmental challenges in municipality. Most of the strategically located land in the municipality is owned either by the private investors or the state. In order to improve the situation, in the year under review the municipality has engaged with different land owners such Magoshes and sector departments that are responsible for land to release it to the municipality for development. The following farms were earmarked:

- (a) Transfer of portion of the farm Praktiseer 275KT for Segorong Relocation Project and the transfer was granted;
- (b) Transfer of Remainder and all other portions of the farm Praktiseer 275KT. Municipality has been given caretaker ship over the farm Praktiseer 275 KT;
- (c) Transfer of portions (1, 8,9,10,11,12,15 & R/E) 1316.28 hectares of the farm Aapiesdooringdraai. Municipality has been given caretaker ship over the farm Aapiesdooringdraai 298 KT;
- (d) Transfer of portions(1,4,5,6,9 & R/E) 1324.27 hectares of the farm Steelpoortdrift 298KT. Municipality has been given caretaker ship over the farm Steelpoortdrift 298 KT

**Figure/Table 25: Application for land use management**

Application for Land use management						
Details	Formalization of Township		Rezoning		Built Environment	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
Planning application received	0	0	4	15	155	338
Determination made in the year of receipt	4	1	6	7	114	259
Determination made in the following year	0	0	2	9	N/A	N/A
Application withdrawn	0	0	0	0	N/A	N/A
Application outstanding at year end	1	0	2	8	41	79

The table above depicts all achievement the municipality made on Land use management in the financial year under review.

Figure/Table 26: Land use management

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
Ensure that Council is portrayed in a ways that restores trust in local government	Compliance	New indicator	Turnaround time in the approval/ consideration of Building Plans submitted	30 working days for building below 500 sq. Metre; 60 working days for buildings above 500 sq. Metre turnaround time in the approval/ consideration of Building Plans submitted	145 building plans submitted: 71 building plans not approved	R346,260.88	None- still ongoing	communicate none compliance issues identified immediately to the applicant
		New indicator	% Completion in development of consolidated Facility Management plan	100% Completion in development of consolidated Facility Management plan: 30% - development of Consolidated FMP; 20% - Management submission; 20% - ExCo Submission; 30% - Council adoption	Delay in compiling the facility management plan.	R0	Delay to compile the facility management plan.	Facility management plan to be completed in the coming financial year
		New indicator	% Implementation	100% Implementation	Delay in compiling the	R0	Delay to complete the	Facility management



			of the Facility Management plan	of the Facility Management plan: 60% - Allocation of office and parking space ; 20% - Monitoring provision of security for facilities : 20% - Monitoring on cleanliness of facilities	facility management plan and hence none monitoring of the facilities		facility management plan.	nt plan to be completed in the coming financial year
	Compliance	New indicator	% progress in addressing contraventions identified during routine inspections	100% progress in addressing contraventions identified during routine inspections(2000 households): *30% issuing of contravention notice;*20% Follow -up on the implementation of served notice; *30% serving of final notice; * 20% Elevation of the issue to legal team	16 contravention notices issued in terms of the National Building Regulations and standards Act	R0	None	Generate a public dialogue about the functions of the department
To facilitate	Compliance	New indicator	Turnaround time in processing	120 working days	1 application submitted and	R0	None	None

formal acquisition and requisite use of land		(indicator was previously in %)	section 96 applications.	(approximately 5 months) turnaround time in processing section 96 applications.	processed.			
To facilitate formal acquisition and requisite use of land	Engagement with Magoshes	0%	% of Magoshes engagements Resolutions implemented	100 % of Magoshes engagements Resolutions implemented	80% of engagement with Magoshes resolutions implemented	R0	Other resolutions reliant dependant on the community. Difficulty of meet with Ba-GaKgwete for Dresden, Aapiessdooringdraai and Viljoenshoep site allocations	Mayor to intervene
To facilitate formal acquisition and requisite use of land	Demarcation of sites	New project	% progress in demarcation of sites project(s)	100% progress in demarcation of sites project(s):	0%, 4 sites identified for demarcation (Masha-Gosebo, Mamokgalakopi, Kgautswane, Leboeng); Awaiting appointment of service providers by CoGHSTA.	R0	* Delay in the appointment of service providers by CoGHSTA; * Disagreements with communities/traditional authorities regarding suitable sites;	Written confirmation of sites from affected communities;
	Relocation of beacons in	New project	<b># of beacons relocated urban</b>	1000 beacons relocated urban	0	R21,541.40	Periodic exercise	None

	urban townships		<b>township.</b>	township.				
	GIS database	New indicator	% progress in the establishment of Land Information Management System (LIMS)	100% progress in the establishment of LIMS for Ohrigstad and Steelpoort-Mapodile.	30% progress done: TOR finalized and forwarded to SCM.	R113,102	None(continuous process)	None
	Audit urban properties for compliance	New Indicator	% progress in addressing non-compliance observed during properties audit	100% progress in addressing non-compliance observed during properties audit(2000 properties): *30% issuing of contravention notice;*20% Follow-up on the implementation of served notice; *30% serving of final notice; *20% Elevation of the issue to legal team	60% progress made: 5 properties inspected; 3 contravention notices served; 1 referred for further legal action.	R0	Staff shortage	Appointment of town planners/ land use officers and Generate a public dialogue about the functions of the department
		New indicator	% progress with facilitation of Burgersfort Extension 10 Social Housing project	100% progress with facilitation of Burgersfort Extension 10 Social Housing project ; *25% Obtaining	15% conducting of market survey & service analysis (COGHSTA appointed molemotheo	R0	None (the study is ongoing and findings to be presented and submitted)	None (Await the findings of the study)

				Council resolution to declare the site as residential area;*25% Rezoning of the area;*25% Conducting market research;*25% approved building plans	services providers & Biggen Africa respectively)			
	Development of building plans for BGF, Steelpoort & Ohrigstad	New indicator	% progress in development of building plans for BGF, Steelpoort and Ohrigstad	100 % progress in development of building plans for BGF, Steelpoort and Ohrigstad: *25% conduct desktop study; *25 % Physical verification of the areas without building plans; *25% Procurement of the service of architect; and * 25% Development of final database for building plans	25% of physical verification of areas conducted through random site inspection.	R3,374.29	Other old structures their buildings plans are not traceable.	Increase the rate of inspection around the 3 towns and also the townships.
To facilitate	Planning/ survey of Mashifane	New Indicator	% progress in formalization of	60% progress in formalization of	0% (generation of GP, Pegging/	R0	Land Development	Audit and formalize

formal acquisition and requisite use of land	park		Mashifane park	Mashifane park: *20% (Community/Tribal Resolution; Procurement of service provider) ; *20% (Top cadastral survey; draft layout plan; geo-technical survey; EIA Exemption; logging of Township application); *10% (Township Approval); *10% (Generation of GP; Pegging/boundary alignment)	alignment)		Application lodged on the some of the portions of land by a private developer in involvement with the local community.	the remaining portions not included.
To facilitate formal acquisition and requisite use of land	Facilitating transfer of strategic govt land to the Municipality; Steelpoortdrift, Aapiesboomen, Aapiesdooringdraai	0%	% progress in facilitation of transfer of 43.7 hectares of the farm Praktiseer 275 KT for Loncon Housing Development Project	100% progress in transfer of 43.7 hectares of the farm Praktiseer 275 KT for Loncon Housing Development Project	35% GTM complied with all transfer requirements previously for the signing of the deed of donation by the LDPW and it has been offered caretaker ship	R0	Long process by the DPW to transfer the portion to the municipality.	Follow-up with DPW to finalize the process and elevate to the Mayor for intervention .

					over the farm Praktiseer 275 KT			
		0%	% progress facilitation of transfer of portion of the farm Praktiseer 275KT for Segorong Relocation Project	100% progress in facilitation of transfer of portion of the farm Praktiseer 275KT for Segorong Relocation Project	25% progress made: Land transferred to the municipality for the Segorong Relocation project	R0	Long process by the DPW to transfer the portion to the municipality.	Follow-up with DPW to finalize the process and elevate to the Mayor for intervention .
		0%	% progress in facilitation of transfer of Remainder and all other portions of the farm Praktiseer 275KT	100% progress in facilitation of transfer of Remainder and all other portions of the farm Praktiseer 275KT	15% progress achieved: Municipality has given caretaker ship over the farm Praktiseer 275 KT	R0	Finalization of small scale diagram to be forwarded to DRDLR.	Submit small scale diagram to DRDLR
To facilitate formal acquisitio n an requisite use of land	Facilitating transfer of strategic govt land to the Municipality; Steelpoortdrift, Aapiesboomen, Aapiesdooringdr aai	0%	% progress in facilitation of transfer of portions (1,8,9,10,11,12, 15 & R/E) 1316.28 hectares of the farm Aapiesdooringdr aai 298KT	100% progress in facilitation transfer of portions (1,8,9,10,11,12, 15 & R/E) 1316.28 hectares of the farm Aapiesdooringdr aai 298KT	15% progress achieved: Municipality has been given caretaker ship over the farm Aapiesdooringdr aai 298 KT	R0	Objections by the occupants of the portions of the farm.	Arrange other meetings with the objectors.
		0%	% progress facilitation of transfer of portion of the	100% progress in facilitation of transfer of portion of the	25% progress made: Land transferred to the municipality for	R0	Long process by the DPW to transfer the portion to the	Follow-up with DPW to finalize the process

			farm Praktiseer 275KT for Segorong Relocation Project	farm Praktiseer 275KT for Segorong Relocation Project	the Segorong Relocation project		municipality.	and elevate to the Mayor for intervention .
		0%	% progress facilitation of transfer of portions(1,4,5,6, 9 & R/E) 1324.27 hectares of the farm Steelpoortdrift 298KT	100% progress in facilitation of transfer of portions(1,4,5,6, 9 & R/E) 1324.27 hectares of the farm Steelpoortdrift 298KT	15% progress achieved: Municipality has been given caretaker ship over the farm Steelpoortdrift 298 KT	R0	Land Development Application lodged on the same portions of land.	Arrange a meeting with the occupants and gunner for the remaining and vacant portions of land.

## **3.7. Local Economic Development**

### **3.7.1. Business Linkages**

The municipality has adopted its LED strategy in 2007 and is currently in the process of reviewing it. For the financial year under review, 31 small businesses were linked to big/developed business for support and grooming. Nineteen (19) linked to mining, four (4) to be groomed by the municipality one by the retailer companies.

### **3.7.2. Poverty alleviation projects**

Three poverty alleviation projects namely: Mocketeng, Gabazi and Kgoboko were supported by the municipality in the financial year under review. The support include the provision of chicken broiler unit which host 1000 chicks, construction of the structure, jojo tanks, 1000 chicks, chicken feeders and training of the staff members. Kgoboko was also supported with fencing.

### **3.7.3. Jobs created**

4512 jobs were created in the municipality in the year under review. 130 were created by the municipality, 1368 by mining houses, 564 by business and 1446 by the social institutions. The table below depicts LED activities in the 2011/12 financial year.



Figure/Table 27: Local Economic Development

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To Improve stakeholder relationship	Coordinated benefit model for communities (SLP)	New Indicator	% Progress in the development of coordinated benefit model for communities	100% progress in the development of coordinated benefit model for communities:* 20% Data collection and analysis; 60% development of document; 10% stakeholder engagement sessions held & 10% signing of M.O.U	10% progress achieved: Municipality received two proposals made by Sizwe Sechaba and Tubatse Community & Mining Solutions Pty Ltd for benchmarking and awaited to meet with DMR for assistance in the development of the beneficiation model	R0	Beneficiation Act not yet promulgated.	To benchmark with other institutions which have developed the model
Ensure legislative compliance to	support for Small business	26	# of Business linkages facilitated	40 - Business linkages facilitated: *5	31 Business linkages facilitated :19	R0	SMMEs not meeting the tender	Workshop needed for Potential and

SCM policy				Municipality; *25 Mining; *5 Sector Department; *5 Retailers	Mining, 4 GTM, 1 sector department, 3 Retailers, ,1 Motaganeng Res, 1MMJV5 , 2 local company		requirements for mining.	existing SMME's on engineering & other specialized skills in order to access opportunities in such industries.
To facilitate resourcing of the available learning facilities	Engagement of appropriate stakeholders(mines & FET)	New indicator	% of stakeholders ( mines & FET) engagement resolutions implemented	80% of stakeholders ( mines & FET) engagement resolutions implemented	80% progress made: municipality has started discussions with the mining sector and already a draft engagement programme is developed.	RO	Mines are bias towards their individual mining training centers	Arrange a meeting with the provincial curriculum manager from Dept. Education for advice
	Mining supply park	New Project	% progress in facilitation of mining supply park	100% facilitation of the mining supply park: *40% stakeholders engagement; *20% monitoring development ; 20% Report generation ; *20% feedback to council	100% progress made: The project was done by private sector. The municipality was just receiving update	RO	Limited role played by the municipality as the project is co ordinate from the province.	The project to be removed from the 2012/13 SDBIP as the project is externally influenced

					reports			
	Fresh Produce market	New project	% progress in facilitation of fresh produce market	100% facilitation of the fresh Produce market: *40% stakeholders engagement; *20% Monitoring development ; 20% Report generation ; *20% feedback to council	0% progress made on the facilitation of the fresh produce market done	R0	The project was previously stopped by the Provincial Dept of Agriculture due to the study showing non sustainability and viability.	The project was removed during mid - year assessment
	Development of Tjate heritage site	New project	% progress in facilitation of development of Tjate heritage site	100% progress in facilitation of development of Tjate heritage site *40% stakeholders engagement; *20% Monitoring development ; 20% Report generation ; *20% feedback to council	40% progress achieved: Municipality facilitated the conduct of Financial Feasibility and Economic Impact Assessment study. The report thereof received and present to stakeholders for engagement.	R0	Minimal responsibility by the GTM in the process and funding.	The project to be removed from the 2012/13 SDBIP as it is SDM project
	Poverty alleviation	3	# of new poverty	7 - new poverty	Three poultry	R332,858.41	Delayed in	Engagement

	projects		alleviation projects supported	alleviation projects supported: Kgoboko Poultry; Makgapheng Farming Co-op; Gabazi Mixed Farming; Itsosheng Madifahlane Project For the Aged; Mocketeng Poultry; The Shelter; Lephothane Poultry	projects i.e. Gabazi, Kgoboko, Mocketeng were supported		Electrical connection for Gabazi, Kgoboko projects delayed the delivery of chicks by the service provider.	with Eskom to resolve electrical problems
To reduce unemployment rate	Implement CWP and other related programmes	1512	# of jobs created through CWP and other related programmes(In-house projects; Mines ; Business; Social institutions; Farming & Tourism	8000- jobs created through CWP and other related programmes:* 2000 In-house projects; *2000 Mines; *1200 Business; * 1200 social institutions; *1600 Farming & tourism	4512 jobs created: 130by GTM, 1004 by CWP, 1368 by mines , 564 Business and 1446by social institutions	R0	Poor co-operations from the mines	Municipality to engage institutions to provide information timely
To improve support to small business and cooperatives	Institutionalization of informal business sector	New indicator	% progress in the institutionalization of informal businesses	100% progress in the institutionalization of informal business: * 60% conducting a Study; 40% *Institutionalization of the informal	60% achieved: Study was conducted by IDT	R0	The programme was not funded	Incorporation of NPDG.

				business forum				
	SMME support	90CK1	# of Business registration facilitated	120 Business registration facilitated:* 100 CC ; *20 Pty	5PTY Approved	R0	Delay caused by CIPC registration system-changing from registering CC. to Private Co.`	Project was withdrawn during mid – year assessment

**Figure/Table 28: Employees: Economic and Land Development**

Employees: Economic and Land Development					
Job level	2010/11	2011/12			
	Employee No.	Post No	Employee No	Vacancies No	Vacancies (%)
0-3	8	8	7	1	14%
4 – 6	6	6	6	0	0%
7 – 9	2	2	2	0	0%
10- 12	0	0	0	0	0%
Total	16	16	15	0	0%

**Figure/Table 29: Financial performance 2011/12: Economic and Land Development**

Financial performance 2011/12: Economic and Land Development					
Details	2010/11			2011/12	
	Actual	Original Budget	Adjustment	Actual	Variance to budget (%)
Total operation revenue	N/A	N/A	N/A	N/A	N/A
Expenditure:					
Employees	R1 426 182	R7 705 551	R8 030 239	R5 744 640	12.6%
Repair and Maintenance	N/A	N/A	N/A	N/A	N/A
Others	R6 995 129	R7 397 000	R4 451 550	R1 859 401	41.77%
Total Operational Expenditure	R8 421 311	R15 102 551	R12 481 789	R7 604 041	1.75%
Net Operational (service) Expenditure	R8 421 311	R15 102 551	R12 481 789	R7 604 041	1.75%

## **COMPONENT D: COMMUNITY AND SOCIAL SERVICES**

### **3.8. Libraries**

#### **3.8.1. Upgrading of Libraries**

The municipality have three libraries namely: the Mapodile, Burgersfort and Ohrigstad libraries. The Mapodile library was upgraded and officially opened on 23 March 2012. It was built in partnership with Xstrata foundation. Burgersfort library was renovated and equipped with new technology with an aim of improving library services in the municipality.

#### **3.8.2. Number of books acquired**

The municipality has secured 480 books for its libraries. 205 books were donated by University of Limpopo; 112 by Department of Sport, Art and Culture; 08 from local Authors and 115 from municipal coffers.

#### **3.8.3. Annual Library programmes**

The municipality has conducted three library programmes in the year under review, namely literacy day, library week and world book day. Literacy day was held on the 23 March 2012 at Mmiditsi High school at Bothashoek. Library week was held on the 21 September 2011 at Mmiditsi and World book day was conducted during the official opening of Mapodile library.

**Figure/Table 30: Library programmes**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve development and maintenance of municipal infrastructure	Establishment of rural libraries	New project	% Progress in facilitation for the establishment of Mapodile Library	100% Progress in facilitation for the establishment of Mapodile Library:* 20% Soliciting of external funder ;*20% land availability ; *20% structural development;*20% functionality ; *20% maintenance	100% progress done in the establishment of Mapodile library: The project was officially opened on 23.04.2012. Maintenance has commenced	Funded by Xstrata	None	None
To improve development and maintenance of municipal infrastructure	Refurbishment of Burgersfort Library	New project	% progress in the refurbishment of Burgersfort Library	100% progress in the refurbishment of Burgersfort Library: *25% Demolish one side of the partition; *25% completion of construction *25% Painting of the Whole Library & *25% rearrangement of the library.	100% progress done in the refurbishment of Burgersfort Library: 25% for demolition of one side of the partition; 25% for completion of construction; 25% Painting of the Whole Library & 25% rearrangement of the library.	R0	None	None



To improve development and maintenance of municipal infrastructure	Establishment of libraries	1508 books	# Number of books purchased and acquired <sup>8</sup> .	300 new books (annual)	435 books acquired: 250 from UNIL; 175 from DSAC and 10 from Individual authors	R391.29	None	None
To improve development and maintenance of municipal infrastructure	Establishment of libraries <sup>8</sup>	4	# of Library programmes conducted	2 Library programmes conducted: Literacy week & World book day	1xLiteracy day held at Mmiditsi during cluster on the Library week celebrated on the 23 March 2012 in partnership with LIBASA. 21.09.2011.	R45 000 : R3000 was for flyers and banners	The municipal ity incurred more expenditure because the programme caters also for provincial event	None

### **3.9. COMMUNITY FACILITIES**

#### **3.9.1. Thusong Centres**

The municipality have four Thusong Centres namely, Kgopaneng, Mapodile, Leboeng and Kgautswane Thusong centres. The Mapodile Thusong centre was constructed in the financial year under review in partnership with Xstrata foundation. The challenge that was faced by Mapodile Thusong when the year ended was the slow respond by tenants to render office space in the Thusong centre. To mitigate the challenge the community services intervened in the recruitment of tenants.

#### **3.9.2. Community halls**

Overall community halls built by the municipality are four, namely: Mokgotho, Driekop, Moeng, Leboeng and Diphale community halls. Only Mokgotho community hall has started functioning. There are number of community projects that are conducted in the hall like drop centre and other poverty alleviation projects.

The functionality of other community halls was delayed by lack of water; incomplete work and vandalism of some of some of the halls. To address water problem in the halls boreholes are drilled at Driekop, Diphale and Moeng. The municipality was waiting for ESKOM to energize Diphale and Moeng when the financial year ended. In Leboeng, the underground water is not sufficient and as such the municipality is planning to use other ways such as water tankers to provide water to the hall. The table below depicts community facilities in the municipality.

**Figure/Table 31: Community facilities.**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve development and maintenance of municipal infrastructure	Establishment of Mapodile TSC	8%	% progress in the establishment of Mapodile Thusong Service centre.	100% progress in the establishment of Mapodile Thusong Service centre: *20% Handing over & Official Opening, 80% Maintenance & Management of the TSC	90% achieved in the establishment of Mapodile Thusong centre: 20% for project handing over; 20% for role player mobilization; 40% for maintenance and 10% for staffing.	External funding	The process of role player mobilization is slow and done by Public Works.	Municipality to assist DPW with recruitment of more role players into the centre.
Enable institutional environment for functional forum	Management of Community facilities	16%	% Progress in management of Community Facilities	100% Progress in management of Community Facilities: 50% Management of Community Halls. 50% Management of TSC's	80% Progress made in management of Community Facilities: 20% Utilization of the facilities by stakeholders; *30% Maintenance of the facilities (community Halls & TSCs) *20% Official Opening of hall 10% for having procured furniture.	R0	Delay in handing over the halls to community services and delivery of furnishers.	Fast track the handover and purchase of Furniture in 12/13 FY.

## **COMPONENT E: ENVIRONMENTAL PROTECTION**

### **3.10. Maintenance of open space and parks**

#### **3.10.1. Arbor day celebrations and tree planting**

The municipality celebrated its Arbor day on the 21 September 2011 at Mmiditsi High school at Bothashoek. 700 trees were planted during that period; 5 at Mmiditsi high school, 72 at Thokwane, 72 at Mabocha on the 28 March 2012 and 250 at Ga- Mashishi and Ga- Phasha villages.

#### **3.10.2. Debushing and maintenance of open space**

The municipality has debushing and maintenance of open space programme in which areas with long grass are identified and debushed. The following areas debushed: the area along R37 between Engine garage and Aloe Ridge, R555 next to St Thomas College, Praktiseer and Mapodile.

#### **3.10.3. Maintenance of Parks**

Maintenance of Park is done on regular bases. There is a dedicated team that maintains Parks in the municipality. The regular activities on this project were removal of weeds, irrigation, fertilization and pruning of the flowers.

### **3.11. Cemetery Management system**

The municipality has developed a cemetery management system which helps in the allocation and numbering of the graves. The system reduced the grave identification confusions which are observable after long time when people want to conduct their ritual on their loved one's graves. The Municipality has launched a cemetery clean a campaign where grasses and bushes between the graves were cleared.

#### **3.11.1. Challenges in cemetery management**

Frequent breakdown of the TLB poses continued challenges in the digging of the graves and the purchase of additional TLB has been recommended.

Figure/table 32: Environmental protection

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve development and maintenance of municipal infrastructure	Establishment of parks	1	# of Arbor Day Celebration	1	Held on the 21 September 2011 at Mmiditsi High School.	R200	None	None
To improve development and maintenance of municipal infrastructure	Tree planting	2018	# of trees planted	700	402 trees planted: 5 at Mmiditsi on the 21.09.12; 75 Thokwane ; 72 Mabocha on the 28.03.12; 250 at Mashishi and Phasha villages	Donated by SDM	Budgetary constraints to buy from municipal coffers	To budget for trees in 12/13 FY
To improve development and maintenance of municipal infrastructure	Establishment of parks	70%	% progress in the Debushing and maintenance of open spaces.	100% progress in the Debushing and maintenance of open spaces:* 20% Cutting of the trees & grass on the side of the main road; 20%*R37 Engine garage to Aloe Ridge; 20%*R36 from robot to St Tomas	70% achievement was registered in the first six month and 100% progress was recorded in the last six months comprising :20% Cutting of the trees & grass on the side of the main road; 20% for debushing	R189 858	Insufficient staff	To request for additional Manpower

				*20% R554 from Caltex to B/T junction; *20% R555 from St/Ly to Tubatse Ferro *20% 2 townships (Praktiseer and Mapodile)	around R37 Engine garage to Aloe Ridge; 20% for debushing from robot to R555 to St Tomas; 20% for debushing from St/Ly to Tubatse Ferro; 20% for townships (Praktiseer and Mapodile)			
To improve development and maintenance of municipal infrastructure	Replacement and repair of assets	100%	% progress in the maintenance of cemeteries.	100% progress in the maintenance of cemeteries: 60% Clearing grasses and bushes in the grave yard at Praktiseer 20% Clearing grasses and bushes in the grave yard at Ohrigstad 10% Clearing grasses and bushes in the grave yard at Mapodile 10% Clearing grasses and bushes in the grave yard at Penge	67.5% progress was made comprising :70% progress was achieved in the first semester and 65% achievement was obtained in the second semester comprising: 45% Clearing grasses and bushes in the grave yard at Praktiseer 10% Clearing grasses and bushes in the grave yard at Ohrigstad 10% Clearing grasses and	R0	Penge cemetery has started operating	None

					bushes in the grave yard at Mapodile 0% Clearing grasses and bushes in the grave yard at Penge			
To improve development and maintenance of municipal infrastructure	Establishment of parks	70%	% progress in the maintenance of parks.	100% progress in the maintenance of parks: 20% Cutting of lawn. 20% Removal of weeds. 20% Irrigation. 20% Application of fertilizers. 20% Pruning of flowers.	75% performance achieved comprising: 20% Cutting of lawn; 15% Removal of weeds; 20% Irrigation; 0% Application of fertilizers and 20% Pruning of flowers.	R0	Multiple tasking and cross utilization of manpower (cleaning of offices at Mapodile TSC)	Request for additional manpower
To improve development and maintenance of municipal infrastructure	Cemetery Management System	100%	% compliance to the developed Cemetery Management System	100% compliance to the developed Cemetery Management System: 40% Preparation of grave pits. 40% Allocation & numbering of graves. 20% Alignment of graves.	90% compliance to the developed Cemetery Management System: 30% Preparation of grave pits. 40% Allocation & numbering of Graves; 20% Alignment of graves.	R30,825.87	Frequent breakdown of earth moving vehicle (TLB).	Purchase additional TLB.

## **COMPONENT F: SPORT AND RECREATION**

### **3.12. Sport complexes**

The municipality has one standard sport complex, Ntwampe sport complex at Moroke village. The complex was built in partnership with Spoornet. Other standard sport complexes are found in the former model C schools. In the financial year under review, the municipality facilitated the establishment of three sport complexes, namely: Maandagshoek, Mapodile sport complexes and Burgersfort stadium.

#### **3.12.1. Maandagshoek Sport Complex**

When the financial year ended, the facilitation of Maandagshoek sport complex was at 57%. Platinum Australia mine promised to fund the establishment of the complex and the process was at the signing of memorandum of understanding.

#### **3.12.2. Mapodile Sport complex**

When the financial year ended, the construction of Mapodile sport complex was at 35%. The project is a multi-year and as such will continue in the 2012/13 financial year.

#### **3.12.3. Burgersfort stadium**

Lack of land at Burgersfort delayed the establishment of Burgersfort stadium. Negotiations are on with Manoke community to release land for the development of the stadium.

### **3.13. Sporting and cultural activities**

#### **3.13.1. Sporting activities**

The municipality participated in numerous sporting activities in the financial year under review. Three friendly games were held; one at Shopiane sport ground on the 16 November 2011, two at Mashishi sport ground on the 25 -26 November 2011. On the 07 December 2011 the municipality hosted chess tournament, cricket festival and O.R. Tambo games at Itirele primary school.

#### **3.13.2. Cultural activities**

The following cultural activities were conducted: Beauty pageant on 10 December 2012; theatrical workshop on 29 February 2012 and cultural competition on the 24 September 2011 at Ga-Mampuru.



**Figure/table 33: Highlights of the sporting and cultural activities**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve development and maintenance of municipal infrastructure	Establishment Sports complex	15%	% progress in the facilitation of the establishment of GTM stadium	50% progress in the facilitation of the establishment of GTM stadium :*25% Land Acquisition,*25% request for funding	10% of work is done on the facilitation of the establishment of GTM stadium: 5% Land acquisition done; 5% Request for funding done.	R0	Delays in release of land	ELD to facilitate the release of land for the Stadium
To improve development and maintenance of municipal infrastructure	Establishment Sports complex	New project	% progress in the facilitation of the establishment of Maandagshoek Sports complex	100% in the facilitation of the establishment of Maandagshoek Sports complex: 50 % Business Sector 25 % MIG 25% submission to IDP.	57% progress made in the facilitation for the establishment of Maandagshoek sport complex: 25% for securing Platinum Australia as the external funder;	R0	Land availability not yet confirmed	Continuous engagement with community on the availability of land for the project

					2% request letters and presentation to business sector done and 25% for Submission in the IDP. The project is at level of signing MOU with the Platinum Australia			
To improve development and maintenance of municipal infrastructure	Establishment of sport and culture complexes and event <sup>8</sup>	7	# sporting events held	13x sports events held: *1xO.R. Tambo games*1xMayoral cup;*1xMayor 's Marathon;*1xChess tournament; games;*1xCricket Festival;* 4xfriendly games, * 4x Rugby tournaments	6x sports events held: 3x Friendly games at Shopiane on the 16th and Ga Mashishi Village on the 25-26 November 2011; 1x chess tournament; cricket festival at Itirele P. School on the 07.12.2011; O.R.Tambo games; Tournament for U16 & U18(	R120 000	Few (2)Rugby tournament established; Mayoral marathon & cup postponed; fewer(3) friendly game organized; Chess tournament postponed	None

					Secondary schools); Establishment of rugby tournament			
To improve development and maintenance of municipal infrastructure	Establishment of sport and culture complexes and events	100%	% of Sports, Arts & Culture Council meetings resolutions attended to	100% of Sports, Arts & Culture Council meetings resolutions implemented:	100% Sports, Arts and Culture council meetings resolutions implemented	R0	None	None
To improve development and maintenance of municipal infrastructure	Establishment of sport and culture complexes and events	3	# of Cultural activities conducted	1x Beauty Pageant 1x Cultural Show & Poetry Workshop	Beauty Pageant held 10.12.12; Theatrical workshop held 29.02.2012 and Cultural competitions held on the 24th Sept 2011 at Ga Mampuru.	R30 000 for beauty contest R5,500 for Theatrical workshop	Non availability of Communication Unit for photo shoot.	Communication to avail itself for future coverage during the events.

**Figure/Table 34: Employees: community service Department**

Employees: community service Department					
Job level	2010/11	Post No	Employees No	Variances(fulltime equivalents)No	Vacancies (as a % of total posts %)
0 -3	5	5	5	0	0%
4 -6	12	12	12	0	0%
7 - 9	24	24	24	0	0%
10 -12	24	24	24	0	0%
Total	65	65	65	0	0%

**Figure/Table35: Financial Performance 2011/12: community services**

Financial Performance 2011/12: community services					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to budget
Total Operational Revenue	R3 781 186	R5 928 100	R6 128 100	R2 716 905	57%
Expenditure:					
Employee	R4 776 171	R17 204 889	R17 204 889	R17 815 112	3%
Repair and maintenance	R64 884	R242 000	R175 000	R203 577	14%
Others	R3 128 185	R6 362 856	R3 385 900	R2 654 801	28%
Total Operational Expenditure	R7 969 240	R23 809 745	R20 765 789	R20 673 490	0.4%
Net Operational Expenditure	R4 188 054	R17 881 645	R14 637 689	R17 956 585	0,4%

Figure/Table 36: Capital expenditure 2011/12

Capital expenditure 2011/12					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original budget	Total budget value
Total all	R2 000 000	R2 000 000	R1 567 775	21.6%	
Mapodile sport complex	R2 000 000	R2 000 000	R1 567 775	21.6%	R4 100 000
Maandagshoek sport complex	R0	R0	R0	0%	R0
Burgersfort Stadium	R0	R0	R0	0%	R0

## COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

### 3.14. Financial Services

**Figure/Table 37: Debt recovery**

Debt recovery								
Details of the types of account raised and recovered	2009/10		2010/11			2011/12		
	Actual for accounts billed in the year	Proportion of accounts value billed that were collected in the year %	Billed in the year	Actual for accounts billed that were collected %	Proportion of accounts value billed that were collected in the year %	Billed in the year	Actual for accounts billed that were collected %	Proportion of accounts value billed that were collected in the year %
Property Rates	R34 748 082.34	104%	R35 748 228.01	85%	85%	R55 149 470.66	105%	105%
Refuse removal	R5 547 356.48	35%	R7 044 542.17	51%	51%	R7 863 375.35	51%	51%
Other	-	-	-	-	-	-	-	-

**Figure/Table 38: financial performance**

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To improve revenue collection	Collection of municipal services revenue billed	Recovery of 81% municipal services revenue billed	% of billed revenue collected	75% of billed revenue collected	84% billed revenue collected	R0	Low payment rates, especially townships and also low payments in January	Review of Revenue strategy
	Reduction of government debt	New indicator	% reduction of government debts	100% reduction of government debts	43% achieved,	R22m received from Rural Development	Long turnaround time to settle gov debt	Monthly gov debt meetings to track progress
To improve budget planning management processes across department	Conditional grants management	100%	% compliance to grant expenditure conditions	100% compliance to grant expenditure conditions : 30% Business plan developed for both MSIG and FMG; 30% Internship contracts signed; 40% Monthly reporting for all grants	100% grant compliance achieved	MFSA:R1,177,248.44; FMG: R1,250,000; MIG: R36,311,000; MSIG: R790,000	None	Late report submissions due NT system unreliability
To ensure	Asset	50%	%	100% completeness	100%	R0	awaiting council	Submission

accountable and effective asset management	Management		completeness and accuracy of the asset register	and accuracy of the asset register: 20% - correction of AG queries on assets; 25% - monthly asset verification; 10% update of asset register ; 5% provision for depreciation and amortization; 5% finalize water assets transfer; 25% annual asset count; 10% property valuation	Achieved, except for asset transfer		approval for asset transfer	to be tabled 31/07/2012 to council
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Figure/Table 39: Employees: Financial services

Employees: Financial services					
	2010/11	2011/12			
Job level	Employees No.	Posts No	Employees No	Variances ( fulltime equivalents)	Variances(as % of total posts) %
0 -3	12	12	12	0	0
4 - 6	8	8	8	0	0
7 - 9	9	9	9	0	0
10 - 12	0	0	0	0	0
Total	29	29	29	0	0

Figure/Table40: Financial performance 2011/12 financial year

Financial performance 2011/12 financial year					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment budget	Actual	Variance
Total operational revenue(excluding tariff)	R140 647 008	R159 993 889	R160 668 889	216 979 887	35%
Expenditure:					
Other Employees	R6 931 749	R14 819 108	R14 267 233	R12 722 631	14%
Repairs and Maintenance	-	R490 000	R490 000	R61 631	87%
Others	R22 108 749	R27 288 180	R31 215 580	R24 068 059	11.8%
Total Expenditure	R29 040 498	R42 156 288	R45 531 813	R36 854 875	12.76%
Net Operational expenditure	R29 040 498	(R117 837 601)	(R115 137 076)	(180 125 012)	52.8%

### **3.15. Human Resource Services**

#### **3.15.1. Organizational Design**

In the financial year under review, the municipality was engaged in the review of its Organisational structure to ensure relevancy of the structure to the objectives of the municipality. Two departments namely: Strategic planning and Executive support were disestablished. Units that were in those departments were shared among other departments; communication, IDP, PMS and Legal formed part of municipal manager's office; Public participation to Community services; secretariat and office bearer manager were taken to Corporate services.

Secondly, a support for review of the structure was solicited from Sekhukhune District Municipality and Cooperative Governance Human settlement and Traditional Affairs in the province. The support was able to go up to the generation of a draft Organizational structure, the job evaluation and due to lack of capacity from support team job description was left to the municipality to complete on its own. The municipality resolved to outsource remaining processes.

#### **3.15.2. Human resource policies**

The Municipality developed twenty eight (28) Human Resource policies in the financial under review, but because of their volumes and numbers they were tabled to Council in two sets of twelve and sixteen. The first twelve Human Resource policies were work shopped and adopted by to council in the year under review and the remaining sixteen it's tabling to council was reserved for 2012/13 financial year.

#### **3.15.3. Performance management system policy**

The Performance management system in the municipality is still at the Organizational and Section 57 managers' level. A resolution was taken to cascade it to other employees. The cascading process was agreed to start with level one manager in the 2012/13 financial year. With regard to the Organizational and senior manager's performance management, the municipality has conducted both mid – year and end of the year formal assessment with four of its section 57 managers. Two managers, the Chief Finance Officer and the director Technical services were given performance bonus of 12% and 6% respectively.

#### **3.15.4. Leave management**

In the 2010/11 financial year the Audit General found that the municipal leave management system to be inadequate. In respond to the findings the municipality engaged in programme to improve its leave management and filing system. A team of five people was established to work on the system to improve the situation. Team was reported it progress monthly to management. When the financial year ended, there was an improvement on the filing and a

need for more efforts in leave management. To improve the situation a separate leave form was introduced instead of the previously used leave book.

#### **3.15.5. Skill Development/Bursaries**

As a contribution to skill development in the municipality, the council approved R350 000 for bursary to enable capable learners who may have financial problems to continue with their studies. 21 learners were assisted to register in different tertiary institutions. Twelve were for the first year in University of Limpopo; eight were for second year at different universities( one for university of Durban Westville, six for university of Limpopo and the last one for the University of Witwatersrand; and there was one third year student for university of Pretoria).

#### **3.15.6. Presidential and Premier Hotlines**

The Municipality is doing well in responding to Presidential and Premier hotlines issues. For the financial year under review, the municipality responded to 100% of both the Presidential and Premier Hotlines and that earned the municipality the status of been the best in Sekhukhune District Municipality in responding to Presidential and Premier Hotlines issues.

#### **3.15.7. Local labour forum**

The municipality has established a local labour forum which sits monthly. The forum has processed number issues amongst them are review of the Organizational structure, restructuring of LLF sub-committees, workshoped on a draft policy on the cascading of PMS to other municipal employees and adjudicated on matters of common interest. Promotion of employees and car allowances has been a challenge to the municipality. Some employees have taken the municipality to bargaining council for conciliation and arbitrations. The municipality had sought legal opinion to address long outstanding cases and that has beard fruit as the number is reduced. When the financial year ended five (5) cases were on arbitration and four (4) on conciliations.

The forum has established a dispute resolution committee which look into labour disputes while still on infant stage and try to address them before taken out. The fruit of that committee is not visible as it was established when the year near its end, but there indications that if enough effort can be given to it, it has a potential of producing good results and improve the labour relations in the municipality.

Figure/Table 41: Human Resource management

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To ensure effective utilization of the available workforce	Organizational Re-engineering	New indicator	% progress in the alignment of organogram, IDP and Budget.	100% progress in the alignment of organogram, IDP and Budget: <b>10%</b> Solicit support from LGH and GSD; <b>10%</b> Stakeholder consultation; <b>15%</b> - Review of the organogram; <b>25%</b> - Development of Job description; <b>25%</b> - Evaluation of posts; <b>10%</b> - Costing of the structure.	47.5% work done: 10% Solicit support from LGH and GSD;10% Stakeholder consultation;15% Review of organogram Draft proposal in place, 12.5% Guidelines and standard job descriptions distributed to all departments.	R0	None	None
To ensure effective utilization of the available workforce	Compliance with statutory	6	# of leave reconciliation reports generated in congruence with Finance	six(6) monthly reconciliation reports generated: January-June 2011	Three(3) monthly reports compiled	R0	Employees taking leave without authorization	Imposition of penalties for unauthorized leave.
To ensure effective utilization of the available workforce	Compliance with statutory	70%	% progress in updating employee records / files.	100% progress in updating employee records / files: <b>10%</b> - Revision of file index format; <b>10%</b> - Program prioritization; <b>20%</b> - task team training; <b>30%</b> - Report on findings compiled for management; <b>30%</b> - Soliciting outstanding information for filling	100% progress in updating employee records / files: <b>10%</b> - Revision of file index format; <b>*10%</b> - Program prioritization; <b>* 20%</b> - task team training; <b>*30%</b> - Report on findings compiled for management; <b>*30%</b> - Soliciting outstanding information for filling	R0	None	None

To ensure council is portrayed in a ways that restores trust in the local government	Legislative Compliance	5 days	Turnaround time in processing leave applications	Two(2) days turnaround time in processing leave applications	Two to five days	R0	Access to the system.	Increase number of users to the system. Regular system maintenance
	Legislative Compliance	100%	% compliance in leave records safe keeping.	100% compliance in leave records safe keeping: <b>30%-</b> Development of manual; <b>20%</b> Development of duplicate Departmental leave files; <b>20%-</b> Reformatting of leave forms for requisite authorization; <b>30%-</b> Centralized leave record with registration	100% compliance in leave records safe keeping: <b>30%-</b> Development of manual; <b>20%</b> Development of duplicate Departmental leave files; <b>20%-</b> Reformatting of leave forms for requisite authorization; <b>30%-</b> Centralized leave record with registration	R0	None	None
To build a disciplined organizational culture	Municipal Records	100%	% completion of filling processes.	100% completion of filling processes: 50% - Processing of the draft file plan for adoption: 20% - Staff workshop on file plan; 10% - Documented plan for implementation; 20% - Sign off by departments	100% progress achieved in the filling processes: 50% for processing of the draft file plan for adoption; 20% for Staff workshop on file plan; 10% for Documented plan for implementation; 20% for Signing off by departments	R0	Training of registry personnel not yet completed	Provide secretaries with filing plan
To ensure council is portrayed	Bursary allocation to needy	100%	% progress on allocation of bursary	100% progress on allocation of bursary to the learners: 30% Career	100% progress achieved on allocation of bursary to the learners: 30%	R304 890	None	None

in a ways that restores trust in the local government	learners		to the learners	exhibitions and bursary advert; 40% data capturing and verification of applicants;30% Awarding of bursary to successful applicant	Career exhibitions and bursary advert; 40% data capturing and verification of applicants;30% Awarding of bursary to successful applicant			
To ensure council is portrayed in ways that restores trust in local government	Presidential Hotline queries	100%	% of Presidential hotline queries attend to	100% of Presidential hotline queries attend to: *20% Acknowledged; *30% submitted to relevant Departments *30% responded to the complainant *20% responses within 7 days of receipt	100% of Presidential hotline queries attend to: *20% Acknowledged; *30% submitted to relevant Departments *30% responded to the complainant *20% responses within 7 days of receipt	R0	None	None

Figure/Table 42: Employees: Corporate services

Employees: Corporate services					
	2010/11	2011/12			
Job level	Employees No.	Posts No	Employees No	Variances ( fulltime equivalents)	Variances(as % of total posts) %
0 -3	7	7	7	0	0
4 - 6	15	15	15	0	0
7 - 9	20	20	20	0	0
10 - 12	15	15	15	0	0
Total	57	57	57	0	0

Figure/Table 43: Financial performance 2011/12 financial year

Financial performance 2011/12 financial year					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment budget	Actual	Variance
Total operational revenue(excluding tariff)	R 1 768 619	R250 000	R250 000	R308 600	(23.4%)
Expenditure:					
Other Employees	R6 529 761	R28 516 972	R34 817 226	R32 677 057	6%
Repairs and Maintenance	-	-	-		
Others	R41 176 617	R12 385 270	R19 425 115	R21 875 945	(12.6%)
Total Expenditure	R47 706 378	R40 902 242	R58 242 341	R54 553 002	6%
Net Operational expenditure	R45 808 978	R40 652 242	R56 563 339	R54 244 402	33.4%

### **3.16. Property; Legal; Risk management and Procurement Services**

#### **3.16.1. Property management**

Municipality has established property management unit under Economic and Land Development department. Its core mandate is property management and facilitation of housing allocation in the municipality. Two major projects for the financial year under review were the audit of urban properties for compliance and the facilitation of social housing in Burgersfort at Extension ten (10)

Five property inspections were conducted; three contraventions notices issued; two of them were corrected and one did not comply, hence the matter was elevated up for legal team of the municipality to take legal steps.

#### **3.16.2. Legal matters**

Contract management and labour disputes have been a challenge to the municipality for quite a longer time. Municipality has introduced measures to improve on contract management and among the measures is introduction of a mechanism whereby all municipal contracts are sign off by the municipal manager, manager legal and the end user department; anything contrary to the above arrangement is illegal and cannot bind the municipality. Since the introduction of this approach the situation has improved.

#### **3.16.3. Risk management**

Due to shortage of staff in Risk management unit, Risk management in the municipality was placed under internal audit unit. Since the appointment of senior risk officer in the year under review, the unit has been separated from the internal unit. Since the introduction of this arrangement, Risk management in the Municipality has improved. Risk management committee comprising five members has been established. The committee meets and advice the risk management unit accordingly. Inadequate capacity of Risk committee members hindered the functionality of the committee and hence a workshop was scheduled for 2012/13 financial year to capacitate them. Secondly, the committee is not inclusive of all departments, initiatives are taken to ensure that all departments are represented in the Risk committee and the arrangement is at an advance stage.

#### **3.16.4. Procurement Services**

Procurement in the municipality is the competency of supply chain unit in the finance department. The municipality has reviewed its supply chain policy to be locally biased. The policy has a clause which mandates all contractors outside Greater Tubatse Municipality who may win a tender in the municipality to sub contractor 30% of the procurement to the local companies. The purpose for this clause is to empower small local companies in the Municipality.

Municipality has trained local companies in tendering to capacitate them to bid in the municipal tenders. The bid committee were also trained to execute their function effectively. These moves



have improved procurement in the municipality and the local small companies can now contest with their counterparts.

Figure/Table 43: property; legal; risk management and procurement services

Objectives	Unpacked Projects	2010/11 progress	KPI	Annual Target	Annual performance	Expenditure	Challenge	Mitigation
To facilitate formal acquisition and requisite use of land	Audit urban properties for compliance	New Indicator	% progress in addressing non - compliance observed during properties audit	100% progress in addressing non - compliance observed during properties audit(2000 properties): *30% issuing of contravention notice;*20% Follow -up on the implementation of served notice; *30% serving of final notice; * 20% Elevation of the issue to legal team	60% progress made: 5 properties inspected; 3 contravention notices served; 1 referred for further legal action.	R0	Staff shortage	Appointment of town planners/ land use officers and Generate a public dialogue about the functions of the department
		New indicator	% progress with facilitation of Burgersfort Extension 10 Social Housing project	100% progress with facilitation of Burgersfort Extension 10 Social Housing project ; *25% Obtaining Council resolution to declare the site as residential area;*25% Rezoning of the area;*25% Conducting market research; *25% approved building plans	15% conducting of market survey & service analysis (COGHSTA appointed molemotheo services providers & Biggen Africa respectively)	R0	None (the study is on-going and findings to be presented and submitted)	None (Await the findings of the study)
To promote enforcement of municipal by-laws	Contract management	4	# of reports generated on litigations( by and	Four(4) quarterly litigation reports ( by and against the municipality) submitted to council	No litigation report served in council	R3, 418,919.83	None	None

			against the municipality )					
		100%	% resolve of litigations served by the institution <sup>9</sup>	100% resolve on current year litigations	No new litigations were served against the municipality this financial year. But there long outstanding cases against Ipeleng which was finalized at the Supreme Court of Appeal	R0	None	KPI changed during mid-year assessment to number as reflect above
To promote enforcement of municipal by-laws		100%	% resolve of litigations served against the institution	100% resolve on current year litigations	No new litigation that municipality served against any institution. But the municipality reached settlement of long outstanding litigation against Lampoon	R0	None	KPI changed during mid-year assessment to number as reflect above
	Contract manageme	New indicator	% of service	100% of service level agreements signed	100% progress in signing of	R0	None	KPI changed during mid-year

	nt		level agreement signed		SLAs: 3 catertakership agreement signed with the Department of Rural Development and Land Reform			assessment to turnaround time in vetting SLA
To promote enforcement of municipal by-laws		New Indicator	% of contracts vetted	100% of contracts vetted	100% of contracts signed in the quarter vetted : one contract vetted	R0	None	KPI changed during mid-year assessment to turnaround time in vetting SLA
		New Indicator	% progress in review of waste management contract	100% progress in review of waste management contract	legal opinion solicited	R99 000.00	majority view needed for implementation	wait for approval to solicited two more opinions
To improve performance monitoring and evaluation	Risk Committee	0%	% functionality of Risk committee	100% functionality of Risk committee: *10%-ensure the development of risk register; *10% -ensure the risk committee is trained/works hoped; *40%- Ensure Risk committee submit quarterly report to Audit committee. *40% make risk management a standing Item in every management meeting	90% functionality of Risk Committee: 10 % risk register developed 40% for submitting quarterly reports to Audit committee; 40% for make risk management a standing Item in every	R0	The Workshop was delayed	Workshop planned for 2012/13 financial year.

					management meeting;			
To ensure legislative Compliance of SCM policy		100%	% Compliance to SCM Policy	100% compliance to SCM policy	100% achieved	R0	None	100% achieved

### 3.17. COMPONENT H: Organizational Performance Scorecard

On average most the municipal departments performed above 50% of the projects/KPIs given to them. Only one department economic and Land Development department performed below 50% of the projects allocated to it. The department spent the entire year without the administrative head; it was led by an acting head of the Department and that might be one of the contributory factors to its under performance. The post of the Director was advertised when the financial year ended and will be filled in the 2012/13 financial year.

**Figure/Table 44: Organizational Performance scorecard**

Departments	Total Projects	Fully Achieved	Partially Achieved	Not Achieved	Overall performance %
1. MM	24	18	4	2	75%
2. Finance	26	18	2	6	69%
3. ELD	34	14	12	8	41%
4. Corporate	25	19	4	3	76%
5. Community	44	33	5	6	75%
6. Technical	38	29	7	2	76%
<b>TOTAL</b>	<b>191</b>	<b>131</b>	<b>34</b>	<b>27</b>	<b>69%</b>

## CHAPTER 04

### ORGANIZATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

#### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

##### 4.1. EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The employee's numbers in the municipality in 2010/11 has increased by 01 and there are a total of 17 vacancies in the municipality. Highly affected Departments are Economic and Land Development and Technical services departments with 11% and 12.8% vacancy rates respectively.

**Figure/Table 45: Employee totals, Turnover and vacancies**

Employees					
Description	2010/11	2011/12			
	No. Employees	No. Approved posts	No. of employees	No. of Vacancies	% of Vacancies
Municipal Managers	14	15	14	1	6.7%
Corporate Services	57	60	57	3	5%
Finance	33	35	33	2	5.7%
Economic and Land Development	16	18	16	2	11%
Community Services	65	71	68	3	4%
Technical Services	43	47	41	6	12.8%
<b>Total</b>	<b>228</b>	<b>246</b>	<b>229</b>	<b>17</b>	<b>6.9%</b>

#### 4.1.1. Vacancy Rate

It took the municipality a year to fill the post of the director for economic and Land Development. The first recruitment failed to attract suitable candidate as per the criteria set by the municipality, hence the post was re-advertised and filled 02 August 2012. When the financial year ended, the employment contracts of two directors, CFO and director for Technical services were about to expire. They were left with three and one month respectively.

The municipal standard of filling a vacant post when advertised is three months and all posts are to be advertised internal before taken outside. It took the municipality a year and is still not able to attract a suitable Municipal Engineer. To mitigate the situation the municipality reviewed its recruitment and retention strategies to attract scared skilled personnel but still now the post is vacant. The table below depicts the picture.

**Figure/Table 46: Vacancy rate 2011/12**

<b>VACANCY RATE: 2011/12</b>			
<b>Designation</b>	<b>Total approved posts</b>	<b>Variances(total time that vacancies exist using fulltime equivalents)</b>	<b>Variances (as a proportion of total posts in each category)</b>
Municipal manager	01	None	None
CFO	01	None	None
Section 57 managers	06	0.25	16%
Senior management( Level 1 -3)	40	1.3	5%
Highly skilled supervision (level 4 -6)	49	1.5	4%
Level 7 - 9	92	8	8%
Level 10 -12	60	6	11%



#### 4.1.2. Turnover rate

In the financial year under review more employees left the municipality compared to the number that joined it. Ten employees joined the municipality, while fourteen left with different reasons including resignation, deaths and retirement. As indicated above the municipality has reviewed its retention strategy to minimise the number of people who are leaving the municipality. The table below shows the comparison of turnover rate since 2009/10 to 2011/12 financial years.

**Figure/Table 47: Turnover rate**

Turnover Rate			
Details	Total appointment as of the beginning of the financial year (number)	Terminations during the financial year (number)	Turnover Rate
2009/10	22	7	32%
2010/11	5	8	160%
2011/12	10	14	140%

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

**Figure/Table 48: HR policies and plans for 2011/12**

HR policies and Plans				
No.	Name of the policy	Completed %	Reviewed %	Date adopted by council or comments for failure to adopt
1.	HR planning policy	100%	100%	04 October 2011
2.	Employment Equity policy	100%	100%	04 October 2011
3.	Employment practice policy	100%	100%	04 October 2011
4.	Promotion, Transfers, secondment and Acting in higher position policy	100%	100%	04 October 2011
5.	Attendance and punctuality policy	100%	100%	04 October 2011
6.	Remuneration policy	100%	100%	04 October 2011
7.	Overtime work allowance policy	100%	100%	04 October 2011
8.	Transport allowance policy	100%	100%	04 October 2011
9.	Housing allowance policy	100%	100%	04 October 2011
10.	Subsistence and travel allowance policy	100%	100%	04 October 2011
11.	Sundry conditions of service policy	100%	100%	04 October 2011
12.	Relocation/settlement expenditure policy	100%	100%	04 October 2011
13.	Leave policy	100%	100%	04 October 2011
14.	Legal Aid policy	None	100%	04 October 2011
15.	Training and development policy	100%	100%	04 October 2011
16.	Succession planning policy	100%	100%	04 October 2011
17.	Internship policy	100%	100%	04 October 2011
18.	Internal Bursary policy	100%	100%	04 October 2011
19.	Private work and disclosure of interest policy	100%	100%	04 October 2011
20.	Sexual harassment policy	100%	100%	04 October 2011
21.	Intoxicating substance abuse policy	100%	100%	04 October 2011
22.	HIV/AIDS policy	100%	100%	04 October 2011
23.	Occupational Health and safety policy	100%	100%	04 October 2011
24.	Employee assistance programme policy	100%	100%	04 October 2011
25.	Smoking policy	100%	100%	04 October 2011
26.	Resettlement	100%	100%	04 October 2011
27.	Grievance procedure	100%	100%	04 October 2011
28.	Incapacity due to poor performance policy	100%	100%	04 October 2011

#### 4.4. Injuries, Sickness and suspensions

**Figure/Table 49: Number and cost of injuries on duties**

Number and cost of Injuries on Duty					
Type of Injury	Injury leave taken(days)	Employees using injury leave(No)	Proportion employees using sick leave (%)	Average Injury leaves per employee(days)	Total Estimated cost (R)
Required basic medical attention only	None	None	None	None	None
Temporary total disablement	None	None	None	None	None
Permanent disablement	None	None	None	None	None
Fatal	None	None	None	None	None
Total	None	None	None	None	None

##### 4.4.1. Sick Leaves

Number of sick leave days taken in the financial year under review amount to 3 665, with higher number taken by employees on level 7 – 9 by 1133 leave days. Most employees forfeited their leave days because they were not taken when the financial year ended, that has ballooned up the number of sick leave taken.

**Figure/Table 50: Sick leaves**

Number of days and cost of sick leave( Excluding injury on duty)						
Designation	Total sick leave days	Proportion of sick leave without medical certification (%)	Employees using sick leaves(No)	Total employees in the post(No)	Average sick leave per Employees( days)	Estimated cost ( R)
MM & S57	266	0%	3	6	44	R650 228
LEVEL 1 -3	529	0%	21	38	14	R784 824
LEVEL 4 -6	830	0%	48	48	17	R584 363
LEVEL 7 -9	1133	0%	45	83	14	R724 879
LEVEL 10 -12	907	0%	50	54	17	R386 530
Total	3 665	0%	167	229	34	R3 130 824

Figure/Table 51: Number and period of suspension

Number and period of suspension				
Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reasons why not finalized	Date finalized
2X License Examiners	Fraud and corruption	12 March 2012	The employees were suspended from 12 March 2012 to 11 June 2012 with full pay because of the fraud and corrupt practices they alleged to have committed in their work place. Disciplinary hearing commenced on the 13 <sup>th</sup> June 2012 and was postponed thrice to 19 <sup>th</sup> September 2012, 29 <sup>th</sup> and 30 <sup>th</sup> November 2012, to allow both parties to prepare for the case. The suspension was lifted on the 11 <sup>th</sup> June 2012 in compliance to main collective agreement which indicate that the employee should be charged within three months and if not the charges must be withdrawn.	29 November 2012

#### 4.5. PERFORMANCE REWARDS

Figure/Table 52: Performance Rewards

Performance Rewards by Gender					
Designation	Gender	Total number of employees in a group	Number of beneficiaries	Expenditure on rewards 11/12	Proportion of beneficiaries within group %
Director Technical Services	Male	One(1)	One (1)	R53 055	32.2%
Chief Finance Officer	Male	One(1)	One (1)	R111 754	67.8%

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.6. SKILLS DEVELOPMENT AND TRAINING

65 employees including five councillors were registered for short courses to improve their skill level. 39 of the employees were male and 26 female. 65 councillors of whom 25 were female and 37 male received other form of training and workshops.

**Figure/Table 53: Skills development and training**

Management level	Gender	Employees in the post as 30 June 2012	Number of skilled employees required and actual as at 30 June 2012											
		NO	Learnerships			Skills programme & other short courses			Other forms of training			Total		
			Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target
MM and S57	F	2	0	0	0	2	1	1	0	0	0	2	1	1
	M	4	0	0	0	2	2	2	0	0	0	2	2	2
Councilors	F	25	0	0	0	2	2	2	25	25	25	27	27	27
	M	37	0	0	0	2	3	3	37	37	37	39	40	40
Level 1-3	F	10	0	0	0	2	6	6	0	0	0	2	6	6
	M	28	0	0	0	2	22	22	0	0	0	2	22	22
Level 4 – 6	F	12	0	0	0	7	5	5	0	0	0	7	5	5
	M	36	0	0	0	4	10	10	0	0	0	4	10	10
Level 7 – 9	F	44	0	0	0	0	14	14	0	0	0	0	14	14
	M	39	0	0	0	0	2	2	0	0	0	0	2	2
Level 10 – 12	F	29	0	0	0	0	0	0	0	0	0	0	0	0
	M	25	0	0	0	0	0	0	0	0	0	0	0	0

#### 4.6.1. Skill development expenditure

As indicated above, 60 employees excluding councillors attended short courses in the financial year under review and the municipality spent 84.5% of the allocated budget. More funds were spent on capacitating level 1-3 and 4-6 employees as drivers of service delivery to improve service delivery; less attention was given to employees at level 10 -12 and plans are in place to focus on them in the coming financial year.

**Figure/Table 54: Skill Development Expenditure**

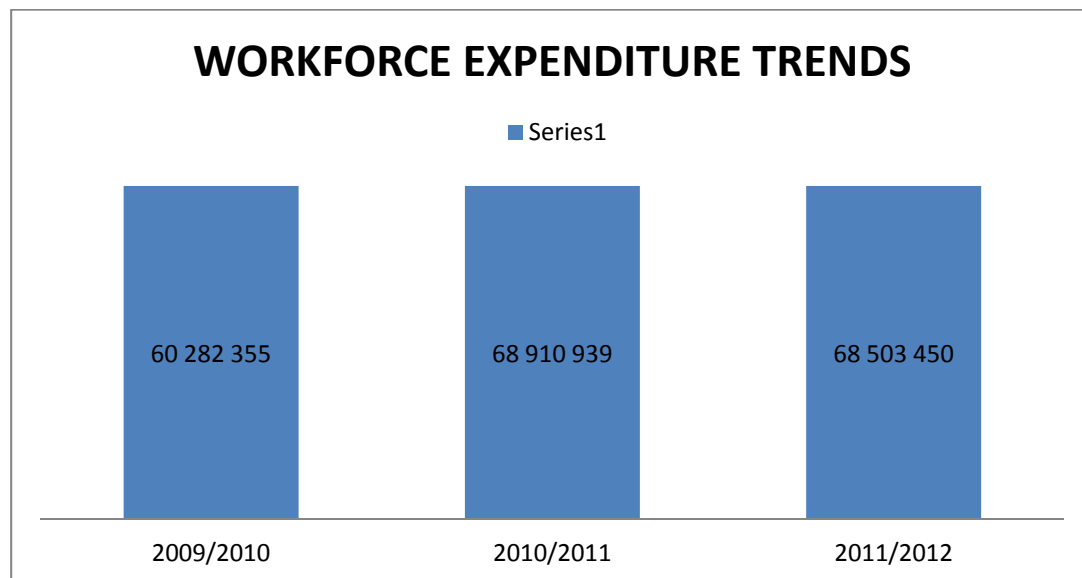
Skill Development Expenditure									
Management Level	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2011/12							
		Learner ship		Skill programme & other short courses		Other forms of training		Total	
		Original Budget	Actual Budget	Original Budget	Actual Budget	Original Budget	Actual Budget	Original Budget	Actual Budget
MM and S57	6	R0	R0	R44 500	R44 500	R0	R0	R44 500	R44 500
Councillors	62	R0	R0	R438 244	R438 244	R300 000	R425 908	R738 244	R864 152
Level 1 -3	38	R0	R0	R332 350	R204 328	R0	R0	R332 350	R204 328
Level 4 -6	48	R0	R0	R106 039	R84 750	R0	R0	R106 039	R84 750
Level 7 - 9	83	R0	R0	R52 665	R52 665	R0	R0	R52 665	R52 665
Level 10- 12	54	R0	R0	R0	R0	R0	R0	R0	R0
Total	291	R0	R0	R973 798	824 487	R300 000	R425 908	R1 273 798	R1 250 395

## COMPONENT D: MANAGING WORKFORCE EXPENDITURE

### 4.7. EMPLOYEE EXPENDITURE

The overall workforce expenditure of the municipality has increased by 13.6% since 2009/10. The workforce expenditure, including councillors in the municipality is 45% of the overall municipal expenditure. It is not an acceptable standard as per legislations governing municipal funds. Municipalities are made for service delivery as such more money should go to service delivery. The structuring of the administration during and disestablishment of two departments, Strategic planning and Executive was one the means to reduce personnel expenditure so that more funds are allocated to service delivery. The move has contributed positively in addressing the challenge even though it was not enough. The table below depicts the workforce expenditure trends excluding councillor's allowances.

**Chart 06: Work force expenditure trends**



#### 4.7.1. Employees whose salaries were increase due to their position being upgraded

The municipality did not have employees whose salaries were increased due to their position being upgraded. The table below depicts the picture.

**Figure/Table 55: Employees whose salaries were increase due to their position being upgraded**

<b>Number of Employees whose salaries were increased due to their position being upgraded</b>		
<b>Beneficiaries</b>	<b>Gender</b>	<b>Total</b>
MM & S56/57	Female	None
	Male	None
Level 1 - 3	Female	None
	Male	None
Level 4 -6	Female	None
	Male	None
Level 7 -9	Female	None
	Male	None
Level 10 - 12	Female	None
	Male	None

#### **4.7.2. Job Evaluation**

The municipality did not conduct job evaluation in the financial year under review; hence the table below have no figures.

**Figure/Table 56: Employees whose salary level exceed the grade determined by job Evaluation**

<b>Employees whose salary level exceed the grade determined by Job Evaluation</b>				
<b>Occupation</b>	<b>Number of employees</b>	<b>Job evaluation level</b>	<b>Remuneration level</b>	<b>Reason for deviation</b>
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None

#### **4.7.3. Employees appointed to post not approved**

Only one employee was appointed to a post not approved in order to improve the functionality of governance structures of the municipality. The table depicts it all.



**Figure/table 57: Employees appointed to post not approved**

<b>Employees appointed to posts not approved</b>				
<b>Department</b>	<b>Level</b>	<b>Date of Appointed</b>	<b>No. appointed</b>	<b>Reason for appointment when no established post exist</b>
Municipal Manager	03	02/04/2012	01	To improve the functionality of governance structures in the municipality

#### **4.8. Disclosure of financial interests**

Annually the municipality issues out disclosure of financial interest forms for its employees, including the legislators to sign. In the year under review all municipal employees and legislators had signed the disclosure of financial interest. Signing of declaration of financial interest is a standing item in every council meeting for councillor to declare if they have an interest to any matter before council.

## CHAPTER 05

### COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

#### 5.1. STATEMENT OF FINANCIAL PERFORMANCE

**Figure/Table 58: Statement of financial performance**

Financial Summary R' 000						
Description	2010/11	Current Year 2011/12			2011/12 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
<b>Financial Performance</b>						
Property rates	39 018 246	40 700 000	41 224 400	59 513 116	144%	148%
Service charges	6 986 648	21 225 692	22 780 692	8 169 390	36%	38%
Investment revenue	2 308 446	3 648 761	3 648 761	2 409 174	66%	66%
Transfers recognised - operational	97 923 108	116 427 000	116 427 000	116 613 426	100%	100%
Other own revenue	12 846 163	7 135 574	7 685 574	21 178 614	276%	297%
<b>Total Revenue (excluding Capital transfers &amp; contributions)</b>	159 082 611	171 027 574	171 027 574	203 536 038	16%	16%
Employee costs	68 910 939	78 625 303	75 289 839	68 503 449		
Remuneration of councillors	13 186 583	17 339 676	17 339 676	15 094 594		
Depreciation & asset impairment	24 237 511	4 175 000	4 175 000	33 665 674		
Finance charges	11 550 558	2 724 700	2 224 700	12 785 399	575%	469%
Debt impairment	7 214 447	4 770 790	4 770 790	1 554 491		
Transfers and grants	2 332 884	3 923 500	3 407 370	2 817 183	83%	72%
Other expenditure	54 198 172	78 843 002	86 291 783	53 742 504	62%	68%
<b>Total Expenditure</b>	181 573 793	190 401 971	193 499 158	188 163 294	97%	99%
<b>Surplus/(Deficit)</b>	20 171 211	1 815 544	1 732 731	19 720 426	1138 %	1086%
Transfers recognised - capital	38 243 000	1 815 550	1 815 550	45 201 027	2490 %	2490%
Contributions recognised - capital & contributed assets		6	82 819	64 921 453		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	18 071 789	6	82 819	64 921 453	78 93 0%	82%
Share of surplus/ (deficit) of associate	0					
<b>Surplus/(Deficit) for the year</b>	-	-	-	-	-	-
<b>Capital expenditure &amp; funds sources</b>						
<b>Capital expenditure</b>	38 243 000	45 400 000	42 475 000	39 496 317	93%	87%
Transfers recognised - capital						

Public contributions and donations						
Borrowing						
Internally generated funds						
<b>Total sources of capital funds</b>	38 243 000	45 400 000	42 475 000	39 496 317	93%	87%
<b><u>Financial position</u></b>						
Total current assets	63 124 598			103 727 983		
Total noncurrent assets	715 111 976			723 904 076		
Total current liabilities	74 534 861			57 584 351		
Total noncurrent liabilities	17 657 801			16 743 550		
Community wealth/Equity						
<b><u>Cash flows</u></b>						
Net cash from (used) operating	44 778 508			97 478 239		
Net cash from (used) investing	71 404 059			(39 496 317)		
Net cash from (used) financing	23 785 654			(7 915 744)		
<b>Cash/cash equivalents at year end</b>	5 295 103			50 066 178		
<b><u>Cash backing/surplus reconciliation</u></b>						
Cash and investments available	(71 404 059)			(39 818 311)		
Application of cash and investments						
<b>Balance - surplus (shortfall)</b>	50	0	0	0		
<b><u>Asset management</u></b>						
Asset register summary (WDV)						
Depreciation and asset impairment						
Renewal of Existing Assets						
Repairs and Maintenance						
<b><u>Free services</u></b>						
Cost of Free Basic Services provided						
Revenue cost of free services provided						
<b><u>No. of Households below minimum service level</u></b>						
Water						
Sanitation/sewerage						
Energy						
Refuse						

**Figure/Table 59: Financial Performance of Operational Services**

Financial Performance of Operational Services						
R						
Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>						
Executive & Council	47 706 378	40 902 242	58 242 341	54 553 002	33%	6%
Finance & Admin/Finance	29 171 318	42 156 288	45 531 813	36 854 875	12.6%	19%
Planning & Development	13 024 995	15 102 551	12 481 789	8 037 882	47%	35%
Community & social/Libraries	6 940 700	18 287 326	20 765 789	20 673 490	13%	0.4%
Housing	-			-		
Public safety	-			-	1.7%	15%
Waste management	9 647 026	9 939 891	11 526 567	9 765 215		
Roads	41 266 985	9 264 720	9 244 720	9 085 682	2%	1.7%
Water distributions	-			-		
Component A: sub-total						
<b>Total Expenditure</b>	<b>147 757 402</b>	<b>135 653 018</b>	<b>157 793 019</b>	<b>138 970 146</b>	<b>2.4%</b>	<b>11.9%</b>

## 5.2. GRANTS

**Figure/table 60: Grant Performance**

Grant Performance						
R' 000						
Description	2010/11	2011/12			2010/12 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
-						
<b>Operating Transfers and Grants</b>						
National Government:						
Equitable share	94 525 458	114 137 000	114 137 000	114 137 000	0%	0%
Municipal Systems Improvement	750 000	790 000	790 000	790 000	0%	0%
MIG	24 943 000	36 311 000	36 311 000	36 311 000	0%	0%
Dept. Mine & Engineer	9 000 000	8 890 027	8 890 027	8 890 027	0%	0%
Finance Management Grant						
Institutional Grant & Subsidy	1 000 000	240 826	240 826	240 826	0%	0%
Province	431 250	137 000	137 000	137 000	0%	0%
<b>Total Operating Transfers and Grants</b>	<b>134 974 708</b>	<b>161 505 853</b>	<b>161 505 853</b>	<b>161 505 853</b>	<b>0%</b>	<b>0%</b>

### 5.3. Asset Management

Asset Management unit is located in finance Department. The municipality has developed Asset register which is updated timeously when new asset come in. Below are three largest assets the municipality acquired in 2011/12 financial year.

**Figure/Table 61: Three largest assets acquired in 2011/12 financial year**

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2011/12				
Asset 1				
Name	Ngwaabe Access Road			
Description	Construction of 5km Access road at Ngwaabe Village			
Asset Type	Road Infrastructure			
Key Staff Involved	PMU manager			
Staff Responsibilities	Monitoring of implementation and compliance in the project			
Asset Value	2008/09	2009/10	2010/11	2011/12
Capital Implications	The project was planned for three years and financed through MIG.			
Future Purpose of Asset	Accessibility and connectivity of the villages			
Describe Key Issues	Upgrading of gravel to tar			
Policies in Place to Manage Asset	Repair and Maintains policy			

Asset 2				
Name	Praktiseer internal Street			
Description	Upgrading of gravel road to Asphalt at Praktiseer Township			
Asset Type	Road Infrastructure			
Key Staff Involved	PMU manager			
Staff Responsibilities	Monitoring of implementation and compliance in the project			
Asset Value	2008/09	2009/10	2010/11	2011/12
Capital Implications	It is multi-year project financed through MIG			
Future Purpose of Asset	Improve mobility in the Township			
Describe Key Issues	Upgrading of gravel to tar			
Policies in Place to Manage Asset	Repair and Maintains policy			

Asset 3	
Name	Mapodile Sport Complex
Description	Construction of Sport Complex at Mapodile Township
Asset Type	Infrastructure Asset
Key Staff Involved	PMU manager

Staff Responsibilities	Monitoring of implementation and compliance in the project			
Asset Value	2008/09	2009/10	2010/11	2011/12
	N/A	N/A	N/A	
Capital Implications	Multi –year funded through MIG			
Future Purpose of Asset	Promote recreation and physical fitness in the Township			
Describe Key Issues	Establishment of sport complex in the Township to promote recreation			
Policies in Place to Manage Asset	Repair and Maintains policy			

#### 5.4. Repair and Maintenance

The municipality has spent 95% of its allocated repair and maintenance budget. Continuous breakdown of machineries contributed negatively to the maintenance of roads both in the rural and urban areas. To mitigate the situation the municipality has planned to purchase two graders, one TLB, one Roller and three tipper trucks.

**Figure/Table 62: Repair and maintenance**

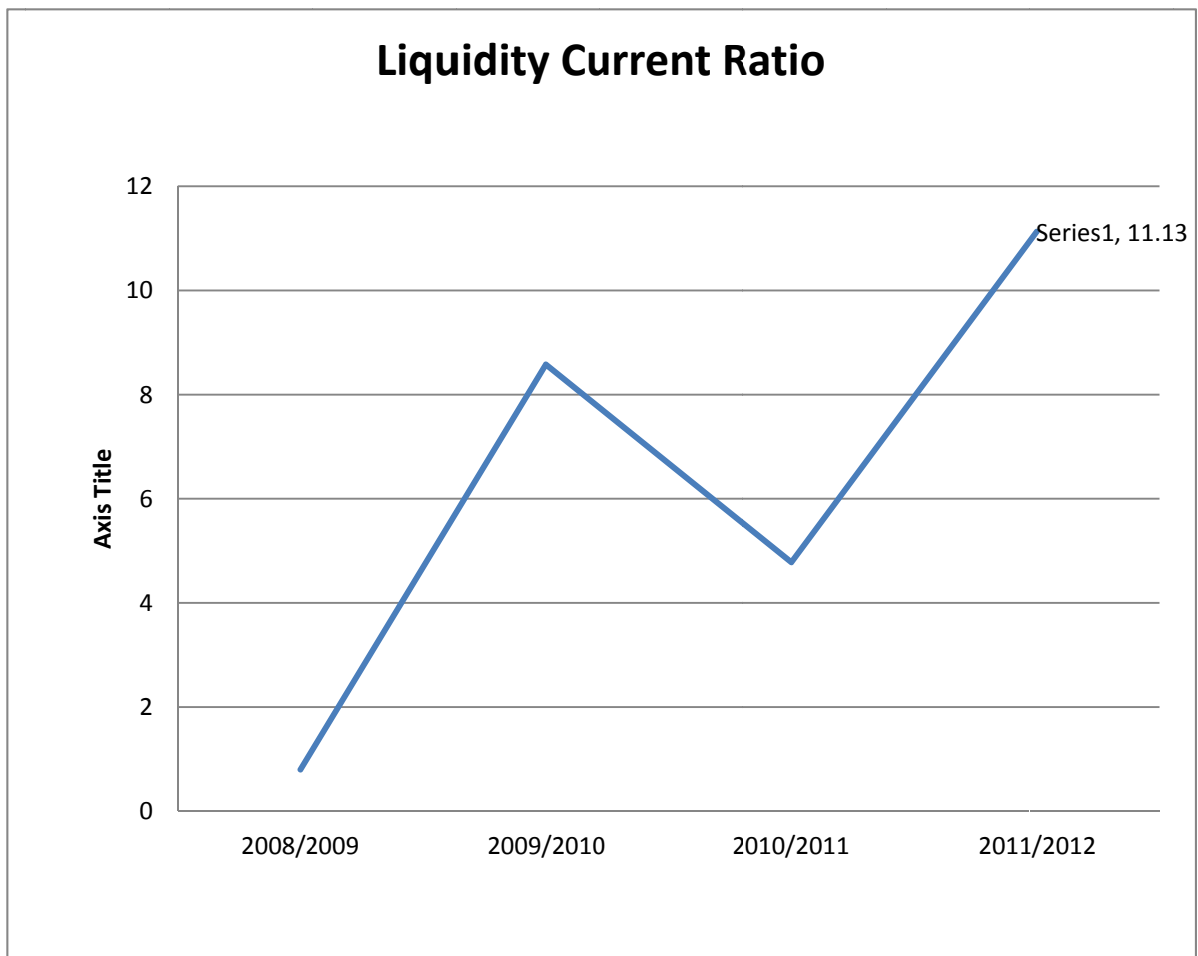
Repair and Maintenance Expenditure 2011/12 financial year				
	Original Budget	Adjustment budget	Actual expenditure	Budget Variance
Repair and Maintenance	R6 428 205	R7 249 761	R6 093 043	-5%

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

### 5.4.1. Liquidity ratio

Liquidity ratio measures the ability of the municipality to convert its assets into cash to service its daily obligations. According to the graph below the municipality had more assets that can be converted into cash to address its daily obligation in 2011/12 compared to 2010/11 financial year.

**Chart 07: Liquidity ratio**



#### 5.4.2. Total Outstanding Service debtors

Total outstanding service debtors measures how much money is still owed by the stakeholders for the services the municipality is providing compared to how much money has been paid. According to the graph below there has been an improvement of payment to services by stakeholder/customer in 2011/12 compare to the past three financial years.

**Chart 08: Outstanding service debts to revenue**

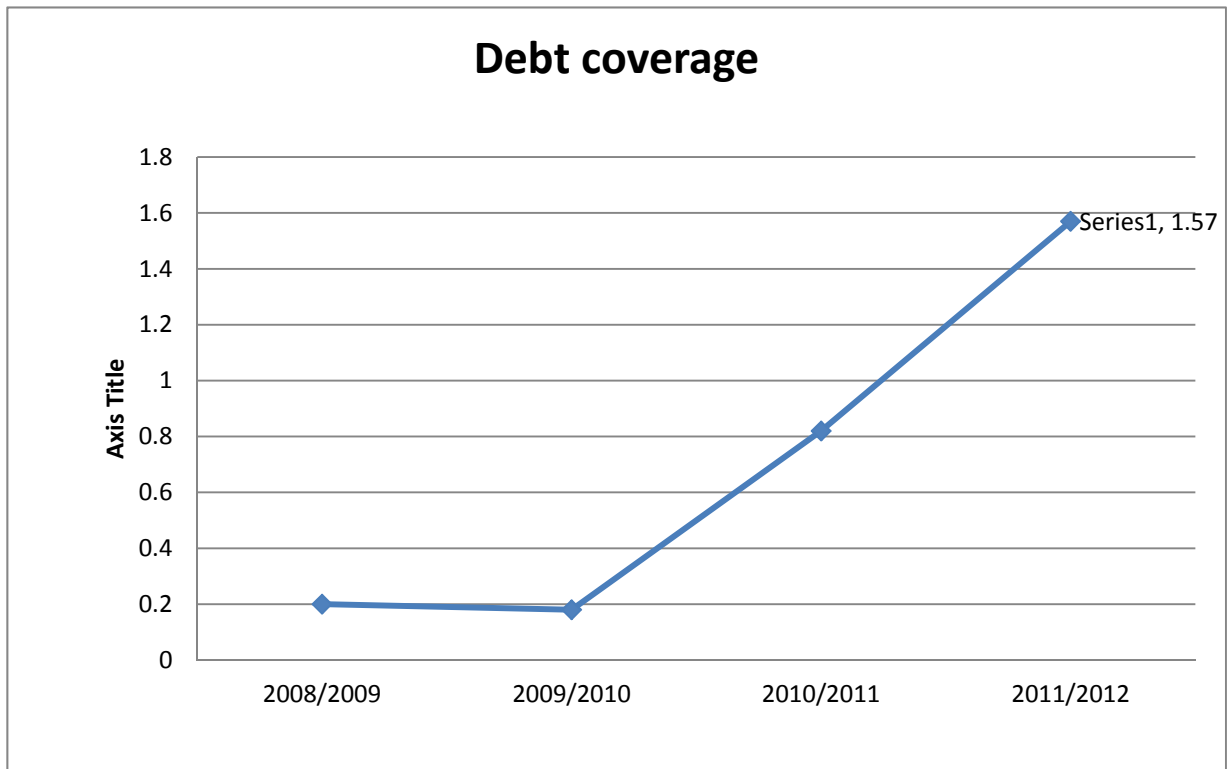




### 5.4.3. Debt Coverage

Debt coverage measures the number of times debt payment can be accommodated with operating revenue. It in turn represents the ease with which debts can be accommodated by the municipality. According the graph below the debt coverage has been increasing since 2009/10 to 2011/12.

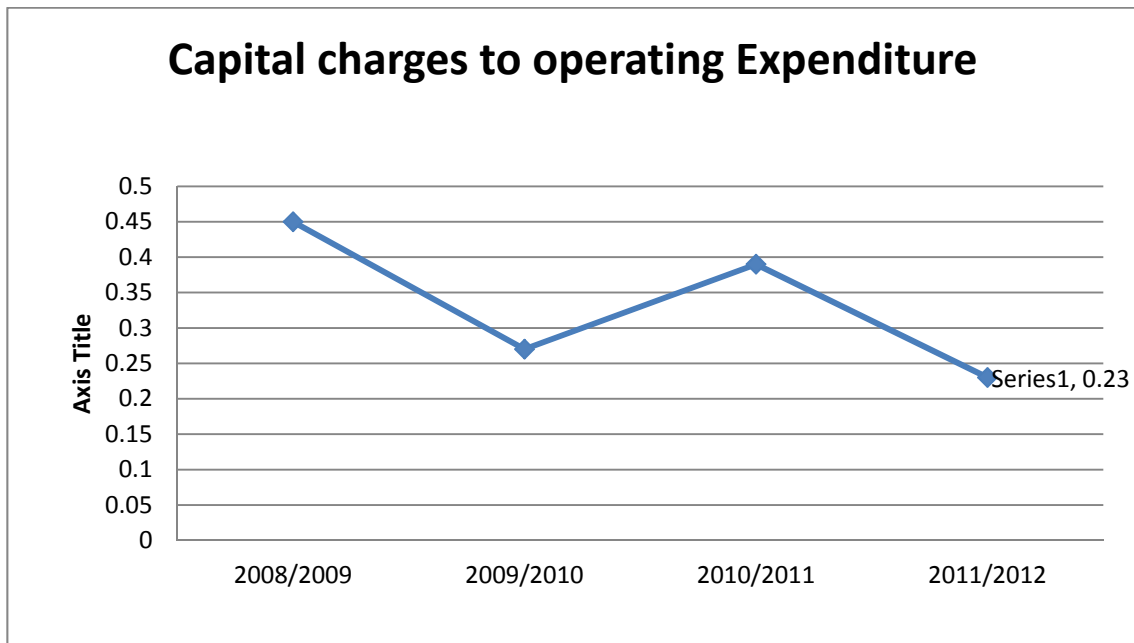
Chart 09: Debt coverage



### 5.4.4. Capital Charges to operating Expenditure

Capital charge to operating expenditure measures the portion of capital interest and principle paid by the total operating expenditure. The capital charges to operating expenditure declined from 2010/11 from 0.4 to 0.23 in 2011/12 financial year

**Chart 10: Capital charge to operating expenditure**



#### **5.4.5. Employee cost**

The employee cost (including councillors) to the total operating expenditure in the municipality has escalated from 40% in 2010/11 to 45% in 2011/12. As indicated in chapter four means to normalize the situation to 35% as the acceptable standard including disestablishment of two departments and strict management of recruitments were implemented and their impact will be witnessed in 2012/13 financial year.

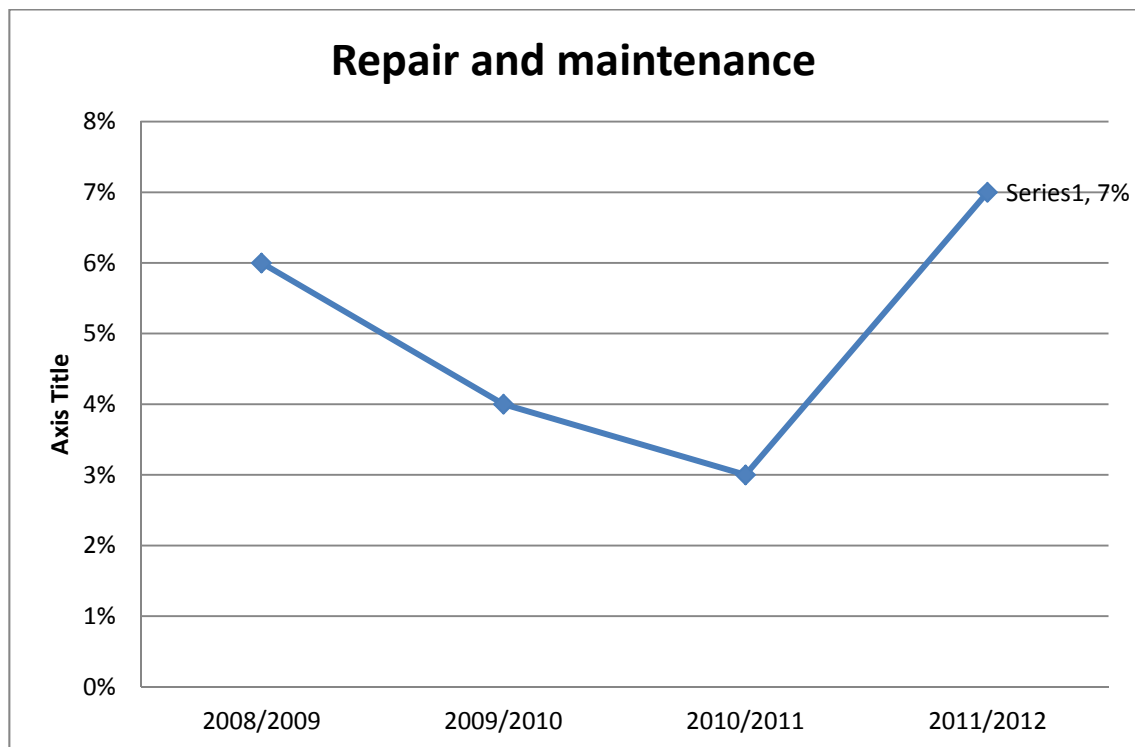
**Chart 11: Employee cost**



#### 5.4.6. Repair and Maintenance

This represent the portion of operating expenditure spent on repair and maintenance of existing infrastructure in the municipality. Since 2008/2009 to 2010/2011 financial year the spending on repair and maintenance declined from 6% to 3%, but in the 2011/12 it increased to 7%. This reflects how ageing the municipal infrastructures are.

**Chart 12: Repair and Maintenance**



## Introduction

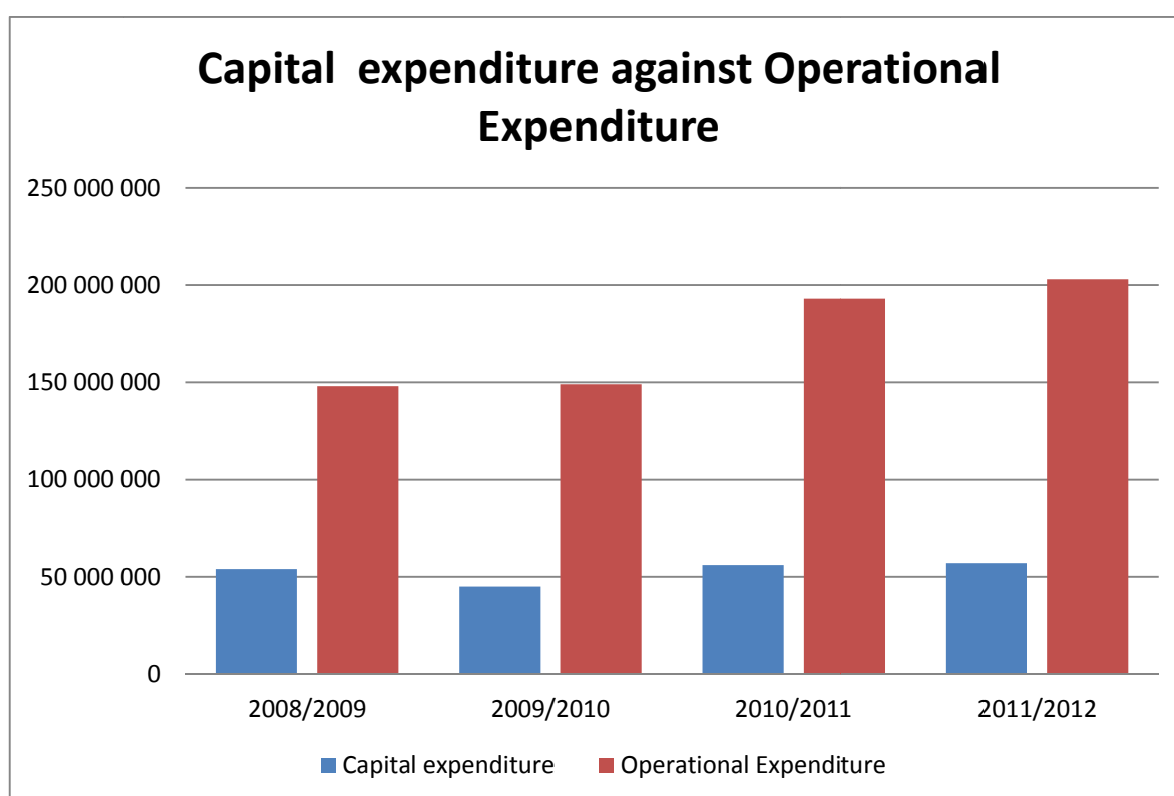
The municipality planned and implemented 22 capital projects in the financial year under review. The projects comprise 10 roads and storm water projects; 6 clusters of rural fencing and nine electrification projects. The roads and storm water and rural fencing were financed by MIG. When the financial year ended they were completed and total expenditure was 92%.

When the financial year ended progress at electricity projects was at 35% and expenditure was at 33%.

## 5.5. Capital Expenditure

The municipal capital expenditure constitutes 24.3% of the municipal operational expenditure. The graph below compares capital expenditure and Operational expenditure

**Chart 13: capital expenditure against operational expenditure**



**Figure/Table 63: Capital expenditure v/s Operational expenditure**

	% of Expenditure Budget	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Un-audited Full Year Total</b>
Capital Expenditure	53%	54 700 000	43 700 000	29 435 885
Operating Expenditure	92.7%	<b>170 157 886</b>	<b>199 751 158</b>	<b>185 251 027</b>
<b>Total expenditure</b>	<b>88%</b>	<b>224 857 886</b>	<b>243 441 158</b>	<b>214 686 912</b>

## 5.6. Capital spending of five largest projects

**Figure/Table 64: Capital Expenditure of 5 largest projects**

	Capital Expenditure of 5 largest projects*				
Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A – Burgersfort Internal street	R2 100 000	R2 100 000	R1 453 657	69%	69%
B – Praktiseer Internal street	R 2 900 000	R 2 900 000	R 2 775 320	96%	96%
C – Motlolo Access Bridge	R3 450 000	R3 450 000	R3 119 678	90%	90%
D – Ngwaabe Access Road	R1 500 000	R1 5000 000	R853 505	57%	57%
E – Maahlashi	R520 000	R520 000	R453 947	87%	87%
Name of Project - A	Burgersfort Internal street				
Objective of Project	Construction of access road to R37 road from Madiba street				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	2400 households				

Name of Project - B	Praktiseer Internal Street
Objective of Project	Improve accessibility at Praktiseer roads
Delays	None
Future Challenges	None
Anticipated citizen benefits	1 500Households

Name of Project - C	Motlolo Access Bridge
Objective of Project	Improve accessibility and mobility at Motlolo Village
Delays	None
Future Challenges	None
Anticipated citizen benefits	350 households

Name of Project - D	Ngwaabe Access Roads
Objective of Project	Improve accessibility and mobility at Ngwaabe village
Delays	None
Future Challenges	None
Anticipated citizen benefits	850 Households

Name of Project - E	Maahlashi Electrification
Objective of Project	Provide electricity at Maahlashi Village
Delays	None
Future Challenges	None
Anticipated citizen benefits	250 Households

## 5.7. Basic Service and Infrastructure Backlog – Overview

### Introduction

As indicated in the introduction of this Annual report the municipality has limit power as far as the provision of basic services are concern.

It only provides waste collection in the urban areas. The table below depicts the status of basic services in the municipality.

**Figure/Table 65: Service Backlogs as at 30 June 2012**

Service Backlogs as at 30 June 2012				
	Households (HHs)			
	*Service level above minimum standard		*Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	53 026	79.3%	13 759	20.7%
Sanitation	10 193	19.3%	53 736	80.7%
Electricity	37 650	63.3%	28 961	29.7%
Waste management	4707	7.1%	61 904	92.9%
Housing	48 497	72.8%	18 114	27.2%

**Source: GTM IDP 2011/16**



## 5.8. 2011/12 MIG spending

The table below depicts the municipal expenditure on its MIG allocations. Under Roads, pavements and bridges the municipality spent 95% of the allocated budget; Sport and recreation spent 78% and 42% on cemeteries. The overall spending on MIG when the financial ended was 92%.

**Figure/Table 66: Municipal Infrastructure Grant (MIG)\* Expenditure 2011/2012 on Service backlogs**

Municipal Infrastructure Grant (MIG)* Expenditure 2011/2012 on Service backlogs						
R' 000						
Details	Budget	Adjust- ment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure - Road transport						
Roads, Pavements & Bridges	R25 900 000	R25 900 000	R24 710 537	95%	95%	None
Sport and recreation	R2 000 000	R2 000 000	R1 567 775	78%	78%	None
Cemetery	R1 000 000	R1 000 000	R424 499	42%	42%	None
Other Specify:						
Total	R28 900 000	R28 900 000	R26 702 811	92%	92%	None

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

### 5.9. Cash flow

Figure/Table 67: Cash flow

Cash Flow Outcomes				
Description	2010/11	Current Year 2011/12		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other				
Sale of goods and services	46 004 894			64 267 376
Grants	136 166 108	118 242 550	118 242 550	161 814 453
Interest	2 308 446			1 760 470
Other receipts	15 223 436			24 593 745
<b>Payments</b>				
Suppliers and employees	136 676 776	92 629 515	92 629 515	164 344 484
Finance charges	1 603 919			12 785 399
Transfers and Grants				
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>44 778 507</b>	<b>210 872 065</b>	<b>210 872 065</b>	<b>97 849 423</b>
Capital assets	38 298 642			71 404 059
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>41 647 273</b>	<b>0</b>	<b>0</b>	<b>71 404 059</b>

<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans	1 768 114			50 787 019
Borrowing long term/refinancing	18 488 921			17 578 669
Increase (decrease) in consumer deposits	941 604			1 008 200
<b>Payments</b>				
Repayment of borrowing				
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>21 885 731</b>	<b>0</b>	<b>0</b>	<b>69 373 888</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>				
Cash/cash equivalents at the year begin:	2 455 206			5 295 104
Cash/cash equivalents at the year end:	5 295 102			44 771 076

## 5.10. Borrowing and Investment

*Figure/Table 62: Actual Borrowings 2007/08 - 2010/10*

Actual Borrowings 2009/10 - 2011/12				R
Instrument	2009/10	2010/11	2011/12	
<b><u>Municipality</u></b>				
Long-Term Loans (annuity/reducing balance)	16 598 015	16 263 877	17 578 669	
Long-Term Loans (non-annuity)				
Local registered stock				
Instalment Credit				
Financial Leases				
PPP liabilities				
Finance Granted By Cap Equipment Supplier				
Marketable Bonds				
Non-Marketable Bonds				
Bankers Acceptances				
Financial derivatives				
Other Securities				
<b>Municipality Total</b>	16 598 015	16 263 877	17 578 669	

### 5.11. Public Private partnership

Section 120(1) of the MFMA, act 56 of the 2003 allows municipalities to enter in Public – private partnership only if the municipality can demonstrate that the agreement will:

- (a) Provide value for money to the municipality;
- (b) Be affordable for the municipality ; and
- (c) Transfer appropriate technical, operational and financial risk to the private party.

Section 120(4) mandates the municipalities to conduct feasibilities study before concluding a public – private partnership, which explains the strategic and operational benefit of the PPP for the municipality in terms of its objectives.

When the financial year ended the municipality was about to sign public private partnership for waste removal in the municipality. Withdrawal of one of the strategic partner delayed the implementation of the PPP, hence postponed to commence in the coming financial year ( 2012/13).

## **COMPONENT D: OTHER FINANCIAL MATTERS**

### **5.12. Supply Chain management**

#### **5.12.1. Introduction**

The municipality has established a supply chain unit under the supervision of the chief finance officer. On the 15<sup>th</sup> December 2011 the municipality adopted its 2<sup>nd</sup> amendment supply chain policy which is locally biased to empower the small local business. The policy mandates any contractor outside Greater Tubatse Municipality who may be awarded a tender in the municipality to sub-contract 30% of its procurement to local contractors.

#### **5.12.2. Bid committees**

All bid committees were established and functional when the financial year ended. A capacity building training conducted by Palama was arranged to capacitate the bid committees in executing their responsibilities.

#### **5.12.3. Oversight role of council**

According to section 6 of the Greater Tubatse Municipality supply chain policy, the council reserves its right to maintain oversight over the implementation of its supply chain policy. And to effectively execute its function the policy mandates the accounting officer to:

- ❖ Within 30 days of the end of each financial year, submit a report on the implementation of the supply chain policy to council;
- ❖ Whenever there are serious and material problems in the implementation of the policy, immediately submit a report to the council;
- ❖ Within 10 days of the end of each quarter, submit a report on the implementation of the policy to the Mayor; and

- ❖ Such report must be made public in accordance with section 21A of the Municipal System Act.

#### **5.12.4. Members of bid committees**

Only municipal officials are appointed in the bid committees. Each bid committee is chaired by senior official. The chief finance officer chairs the bid evaluation committee.

### **5.13. GRAP Compliance**

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance ensures that municipal accounts are comparable and more informative for the municipality. It also ensures that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The municipality has started with the implementation of GRAP standards and is doing well to this stage.

## Chapter 6

### Auditor General Audit Findings

#### 6.1. Introduction

Auditor General of South Africa is mandated by the section 188(1)(b) of the constitution of South Africa to audit and report on the accounts, financial statements and financial management of all municipalities. On the same breath section 45(b) of the Municipal System Act, Act 32 of 2000 mandates the Auditor General of South Africa to audit the results of performance measurement. For the financial year under review the AG has commenced with the audit of pre-determined objectives.

#### COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENT 2010/2011

#### 6.2. Auditor General Report 2010/2011

In 2010/2011 financial year the municipality obtained a qualified audit opinion. Progress on addressing the findings is depicted in the table below.

**Figure/Table 64: 2010/2011 A.G. Findings action plan**

Non – compliance Issues	Remedial Action taken
1. Completeness of debtors	Addressed  1. Journal passed in correction of the finding



<p>The municipality could not provide sufficient appropriate audit evidence to support journal entries of R12 147 845 debited to trade and other receivable and credited to trade and other payable to rectify a prior error</p>	<p>as this is the in and out of payables against receivables. Debit trade other payables and credit trade receivables with and amount of R 12 147 485.</p> <p>2. The correction was based on the previous audit finding which Auditor general wanted the municipality to effect adjustment In the previous year and in the last audit the very same auditor general through the reviewer wanted the municipality to reverse the transaction. The municipality even elevated the matter to the Deputy provincial auditor and it was agreed that the municipality must reverse the journals to correct the previous adjustment AG have requested.</p>
<p><b>2. Revenue from commission</b></p> <p>The municipality did not recognize commission income in respect of the water services provided on the behalf of the district municipality amounting to R3 593 731.</p>	<p><b>Addressed.</b></p> <p>Journal already passed to correct the findings, Debited Sekhukhune control account and credited commission received with amount of R 3 593 731</p>

<p><b>3. Rental received not market related-report</b></p> <p>1. Rental received not market related. During the audit it was noted that the municipality is not charging market related lease rentals in their lease properties. The Burgersfort stand number 222/4 does not have the square metre.</p> <p>2. The municipality is not adhering to the rental determinations as per suggestion by the professional valuer.</p> <p>3. The municipality is losing a lot of money because of not leasing its properties at a market related tariffs.</p>	<p><b>Addressed.</b></p> <p>The municipality rentals rate are determine by the professional valuer in order to maximise its rental revenue.</p>
<p><b>4. Assets: Land Value</b></p> <p>1. The transitional provision for GRAP 17 contained in Directive 4, transitional provision for medium and low capacity municipalities, states that during the measurement period, the entity shall retrospectively adjust the provision amount recognized to reflect the information obtained about the facts and circumstances that exit on the effective dates of the standards.</p> <p>2. The municipality has unbundled its</p>	<p><b>Addressed.</b></p> <p>A services provider is appointed to unbundle, update and verify assets and draft report was due on 25th May 2012 to track progress in relation to the query raised and further check the other standard relating to assets which we need to comply</p>

<p>infrastructure assets amounting to R 384 499 342 as disclosed in note 3 to the financial statement in accordance with GRAP 17 on property plant and equipment.</p> <p>3. However the municipality has not made a retrospective adjustment as required by directive.</p>	
<p><b>5. Suppliers who are deregistered/ in process of deregistration with CIPRO- Report</b></p> <p>1. Management did not perform a thorough background check before procuring the services of these companies</p> <p>2. Non compliance with companies' act which may lead to financial losses as the municipality is dealing with companies which do not have a legal standing.</p>	<p><b>Addressed</b></p> <p>All renderers' were requested to declare their interest (in form of members in the employ of state).</p>
<p><b>7. No disclosure of related transactions in the disclosure note 34-report.</b></p> <p>The municipality has not disclosed an irregular, fruitless and wasteful expenditure amounting to R5 858 205 as was required by section 125(2)(d) of the MFMA. Furthermore, there was no system in place for the identification and recognition of irregular expenditure</p>	<p><b>Addressed</b></p> <p>All deviation are ratified and submitted to relevant department with valid reasons</p>
<p><b>8. No disclosure of related transactions in</b></p>	<p><b>Addressed</b></p>

<p><b>the disclosure note 34-report.</b></p> <p>According to GRAP1 paragraph 18, the financial statements shall present fairly the financial position of a municipality. Fair presentation requires the faithful representation of conditions in accordance with the definitions and recognition criteria for liabilities set out in the Framework for the Preparation and Presentation of Financial Statements. The application of Standards of GRAP with additional disclosures where necessary, is presumed to result in financial statements that achieve a fair presentation.</p> <p>1. During the audit of related party working papers, it was discovered that the municipality did not disclose the related parties in disclosure note 34 as required by IPSAS 20 Paragraph 30 &amp; 34. Related party relationships where control exists should be disclosed irrespective of whether there were transactions between the related parties or not.</p> <p>2. The accounting officer of the municipality is not taking all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control</p>	<p>Financial statements were checked for completeness and accuracy before submission to the Auditor - General Office.</p>
<p><b>9. Information Technology Service Continuity</b></p> <p>IT management had designed IT service continuity</p>	<p><b>Partially Addressed</b></p> <p>The municipality has commenced with the massive ICT Infrastructure upgrade project</p>

<p>controls (policies, procedures, guidelines) to mitigate the risk of loss of data in case of a disaster or systems failure however the following was not addressed:</p> <ul style="list-style-type: none"> <li>• Backup policy and procedures did not address all the minimum items required. This might result to inconsistencies in the backup process.</li> <li>• Backups were not kept at an off-site storage facility. In case of a disaster the municipality will not be able to resume critical systems in a short space of time.</li> <li>• The Disaster Recovery Plan was approved but not tested. The municipality might not be able to promptly resume business after a disastrous event or system failure.</li> </ul>	<p>which amongst others covers the following:</p> <ol style="list-style-type: none"> <li>1. Thin- client;</li> <li>2. Desktop;</li> <li>3. Servers</li> <li>4. Data Back-up and Restore solutions;</li> </ol>
<p><b>10. Fraud prevention plan-report</b></p> <p>Municipality did not have a fraud prevention plan during the period under review and the implication of the findings is that no actual or suspected fraud was reported to council during the period under review and thus exposing the Municipality to high level risk of fraudulent activities.</p>	<p><b>Addressed</b></p> <p>Fraud prevention policy, risk policy and strategy and plan were approved by council on the 25th May2012.</p>
<p><b>11. Council evaluation of the Audit Committee as recommended by King 111 - report</b></p> <p>Council did not assess the effectiveness of the audit committee for the financial year under review, and as a result there is no proof that the council certified that the audit committee has</p>	<p><b>Partially Addressed</b></p> <p>The district developed assessment forms for implementation which will also be used at its locals and all municipalities for assessment of audit committee members, however, the</p>

effectively discharged its responsibilities in terms of its mandate for the year.	form endorsement was to serve in Municipal manager forum for endorsement as the Mayor's forum had already adopted.
<p><b>12. Completeness of contingent liabilities</b></p> <p><b>Section 62 (1) (b)</b> of the MFMA stipulates that, "the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards."</p> <p>(a) In verifying valuation of contingent liabilities it was identified that the municipality does not maintain a schedule which includes all litigations against the municipality, stating the possible estimates of financial exposure and status of the case.</p> <p>b) The summons provided to the auditors do not state the possible estimate and as a result we are not able to validate the amounts of R4 350 000 as disclosed in the AFS.</p> <p>c) Still awaiting legal confirmations to confirm</p>	<p><b>Not Addressed.</b></p> <p>Awaiting response from lawyers</p>

the completeness of contingent liabilities.	
<p><b>13. The annual targets were not met and no sufficient and reliable evidence for not meeting such targets-report</b></p> <p>1. The annual performance report shows that for all programmes that were selected all KPIs could not be achieved and the challenges as per APR as well as the mitigating factors to improve performance were not supported by adequate and reliable corroborating evidence.</p> <p>2 .The total rand value amount spent on pedestrian road show campaigns was not disclosed in the Annual performance report.</p> <p>3. There is no proper monitoring of the projects progress against their actual status during the year.</p> <p>Service delivery is affected because of failure to achieve the planned targets at the beginning of the year and the IDP will also be affected.</p>	<p><b>Partially Addressed.</b></p> <p>Not all targets on the SDBIP are accompanied by proper portfolio of evidence whether achieved or not. However there has been improvement with other departments</p>
<p><b>14. Suitable candidates not appointed-report</b></p> <p>Suitable candidates not appointed. In terms of HRM Policy section 7 the human resources manager will submit the memorandum pertaining to the recommended appointment to the chairperson of the panel before the approval of such appointment by the relevant Head of the department and the municipal manager, The chairperson of the panel will append his/her signature to the</p>	<p><b>Addressed</b></p> <p>Ensures that such discrepancies will not be repeated.</p>

<p>recommendation as an indication of his/her agreement with the recommendation of appointment.</p> <p>During our audit we noted that the best candidate who scored highest marks was recommended by the panel who interviewed the candidate to be appointed, however the accounting officer appointed the candidate who scored lower marks without any motivation to appoint such candidate.</p> <p>Possible fruitless and wasteful expenditure may incur due to appoint candidates who are not suitable for appointment.</p>	
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## **COMPONENT B: AUDITOR GENERAL OPINION 2011/12**

### **6.3. Auditor General OPINION 2011/12**

In the year under review the Municipality obtained qualified report with the following matters of emphasis: unaudited supplementary schedules and Irregular expenditure. The municipality incurred irregular expenditure of R23 987 993 due to payments made in contravention of supply chain management requirement



## APPENDIX A: Council Profile

No.	Surname	Full Names	Position	Party
1.	Mabelane	Motsebeng Morussia	Councillor ward 01	ANC
2.	Makine	Molelekwa Patrick	Councillor ward 02	ANC
3.	Mashabela	Mankgase Ronald	Councillor ward 03	ANC
4.	Malatji	Modjadji Annah	Councillor ward 04	ANC
5.	Kgoete	David	Councillor ward 05	ANC
6.	Hlatswayo	Buti Ephraim	Councillor ward 06	ANC
7.	Riba	Mashego Rebotile	Councillor ward 07	ANC
8.	Hlongwa	Mpho Samuel	Councillor ward 08	ANC
9.	Nkwana	Dianah Pheladi	Councillor ward 09	ANC
10.	Moropane	Ntai Christianah	Councillor ward 10	ANC
11.	Lesinya	Mphago Turks	Councillor ward 11	ANC
12.	Magane	David Malekeng	Councillor ward 12	ANC
13.	Maroga	Lephapahne Rosemary	Councillor ward 13	ANC
14.	Mphofelo	Kgaogelo Vincent	Councillor ward 14	ANC
15.	Maile	Kgolane Miccah	Councillor ward 15	ANC
16.	Komane	Mogau Cynthia	Councillor ward 16	ANC
17.	Mphethi	Ngwakwana Dorah	Councillor ward 17	ANC
18.	Masete	Annah	Councillor ward 18	ANC
19.	Riba	Mphahlele Ephaphrus	Councillor ward 19	ANC
20.	Morena	Willies Pokies	Councillor ward 20	Independent
21.	Thobajane	Mabatane Norman	Councillor ward 21	Independent
22.	Mogofe	Mathume Enicca	Councillor ward 22	ANC
23.	Nkosi	Sipho Green	Councillor ward 23	ANC
24.	Kgoete	Serutla Steve	Councillor ward 24	ANC
25.	Maepa	Apollo Simon	Councillor ward 25	ANC
26.	Shai	Annah Motjekoane	Councillor ward 26	ANC
27.	Magapa	Khukhunana Martha(Deceased)	Councillor ward 27	ANC
28.	Rantho	Lekgema Jim	Councillor ward 28	ANC
29.	Komane	Tjilenyane Daniel	Councillor ward 29	ANC
30.	Sekgobela	Jane Beefy	Councillor ward 30	ANC
31.	Mabilu	Moditsana Lazarus	Councillor ward 31	ANC
32.	Moraba	Lekhele David	PR Councillor	COPE
33.	Mamekoa	Ralepane Samuel	PR Councillor	ANC
34.	Selahle	Nnanesi Lucas	PR Councillor	COPE
35.	Tau	Letau Christianah	PR Councillor	COPE
36.	Lourens	Roelof Frederik	PR Councillor	DA
37.	Mogale	Kgakishi John	PR Councillor	DA
38.	Kgwedi	Joseph Lethabile	PR Councillor	DA
39.	Maleka	Enerst Kahludi	PR Councillor	ANC
40.	Makofane	Isaac Thabo	PR Councillor	UDM
41.	Manotwane	Rosina Ramaabele	PR Councillor	ANC
42.	Makofane	Rejoice Lethabo	PR Councillor	ANC
43.	Moropane	Nthloile Marry	PR Councillor	ANC

44.	Malapane	Phomolo Elizaberth	PR Councillor	
45.	Mohlala	Phulushi Archiebald	PR Councillor	ANC
46.	Malatjie	Sello Marcus	PR Councillor	ApC
47.	Khoza	Maria Rinkie	PR Councillor	ANC
48.	Selala	Sentsho Isaiah	PR Councillor	ANC
49.	Sekgobela	Phaswabotse Cedric	PR Councillor	ANC
50.	Thobejane	Monicah Dinao	PR Councillor	ANC
51.	Mohlaba	Phillistus Mohlomphi	PR Councillor	ANC
52.	Makgoga	Mamogodi Emmanuel	PR Councillor	ANC
53.	Nkosi	Samson Magodireng	Chief whip	ANC
54.	Makhubedu	Ngwanyene Rhinah	PR Councillor	ANC
55.	Mphogo	Sekopa caiphus	PR Councillor	ANC
56.	Moeng	Queen Malekgale	Speaker	ANC
57.	Serothwane	Serotho Onis	PR Councillor	ANC
58.	Moraba	Komosas Jonas	PR Councillor	PAC
59.	Ngwatle	Aubrew Dibapoleng	PR Councillor	PAC
60.	Mametja	Matshehla Maggie	PR Councillor	ANC
61.	Mahlake	Nkosi Josias	Mayor	ANC
62.	Nkosi	Motuka Dorcus	PR Councillor	ANC

## Political Office Bearers

No.	Surname	Full names	Position	Party
1.	Mahlake	Nkosi Josias	Mayor	ANC
2.	Moeng	Queen Malekgale	Speaker	ANC
3.	Nkosi	Samson Magodireng	chiefwhip	ANC

## Executive Committee

No.	Surname	Full names	Position	Party
1.	Mahlake	Nkosi Josias	Mayor	ANC
2.	Nkosi	Motuka Dorcas	Head of Corporate Service	ANC
3.	Mohlala	Phulushi Archibald	Head Technical Service	ANC
4.	Khoza	Maria Rinkie	Head of Community Service	ANC
5.	Lourens	Roelof Frederik	Deputy :Community Service	DA
6.	Makgoga	Mamogodi Emmanuel	Deputy :ELD	ANC
7.	Mphogo	Sekopa Caiphus	Head of Finance	ANC
8.	Serothwane	Serotho Onis	Head of ELD	AN C
9.	Malatjie	Modjaji Anna	Deputy:Technical Service	ANC
10.	Moraba	Lekhele David	Deputy :Finance	COPE

## Full time councillors

No.	Surname	Full names	Position	Party
1.	Mphogo	Sekopa Caiphus	Head of Finance	ANC
2.	Serothwane	Serotho Onis	Head of ELD	AN C
3.	Nkosi	Mutoke Dorcas	Head of Corporate Service	ANC
4.	Mohlala	Phulushi Archibald	Head Technical Service	ANC

## Portfolio Committees

PORTFOLIO COMMITTEES				
<b>FINANCE HEAD :</b> Mphogo S.C  Deputy Chairperson: Moraba L.D	<b>TECHNICAL HEAD:</b> Mohlala A.P  Deputy Chairperson: Malatji M.A	<b>CORPORATE HEAD:</b> Nkosi D.M	<b>ELD HEAD:</b> Serothwane S.O  Deputy Chairperson: Makgoga M.E	<b>COMMUNITY HEAD:</b> Khoza R.M  Deputy Chairperson: Lourens R.F
<b>FINANCE HEAD:</b> Mokwena L.M	<b>TECHNICAL HEAD:</b> Mohlaba B.	<b>CORPORATE HEAD:</b> Mkhabela S.F	<b>ELD HEAD:</b> Act. Dir. Mashiane O	<b>COMMUNITY HEAD:</b> Dir.Boshego D.K
<b>MEMBERS</b>	<b>MEMBERS</b>	<b>MEMBERS</b>	<b>MEMBERS</b>	<b>MEMBERS</b>
Makine M.P Mabelane M.M Thobejane M.D Kgweri J.L Hlatswayo B.E Kgoete D Moropane N.C Moraba L.D Sekhukhune P.R Sekgobela P.C Kgoshigadi	Selahle N.L Lesinya M.T Thobajane M.N Magane D.M Nkwana D.P Maroga M.R Mphofelo K.V Maile K.M Mahlaba P.M Mametja M.M Kgoshi PhashaP.D	Hlongwa M.S Tau L.C Morena W.P Mametja M.L *(Mphethi N.D) Masete A Riba M.E Nkosi S.G Mogofe M.E Maleka E.K Malapane P.E	Kgoete S.S Moraba K.J Maepa A.S Shai A.M Magapa K.M(Deceased) Rantho L.J Riba M.R Mashabela M.R Mamekoa R.S Mahlaba P.M	Mogale K.J Komane T.D Sekgobela J.B Mabilu M.L Selala S.I Makofane R.L Moropane N.M Makofane J.T Mamekoa R.S Ngwatle A.D Kgoshi Maepa S.P

Dinkwanyane	Kgoshi Komane M.C Kgoshi Mohlala M.B Kgoshgadi Dinkwanyana T.M	Kgoshi Mashabela N.W Kgoshi Kgwete T.A Kgoshigadi Kgoete S	Kgoshi Mashishi M.S Kgoshi Ramaube K.	Kgoshi Maroga M.S
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- **Cllr Mametja M.L resigned and was replaced by Cllr Mphethi N.D**

## **APPENDIX B: MPAC LIST OF COUNCILLORS**

### **SURNAME & INITIALS**

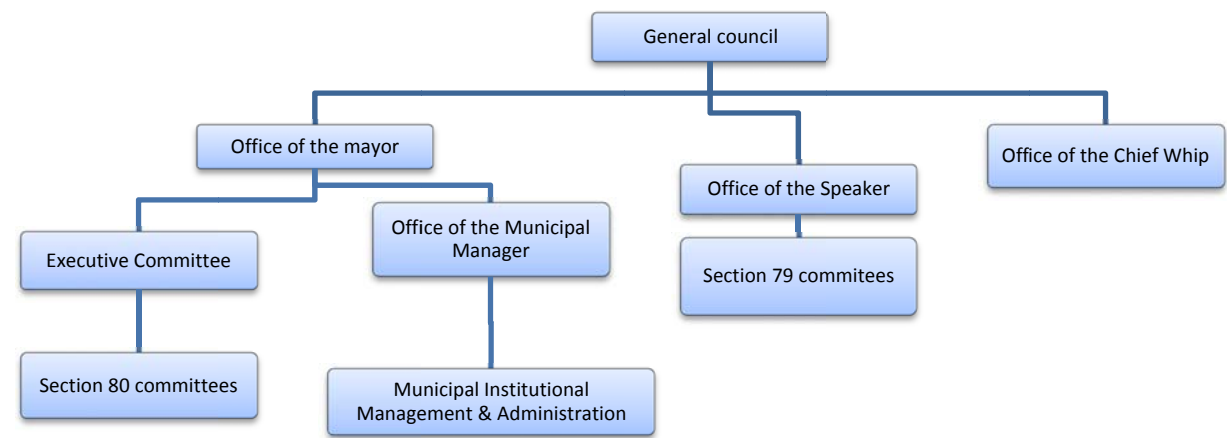
1. M.R Mashabela :Chairperson
2. D. Kgoete
3. B.E Hlatswayo
4. K.V. Mphofela
5. M.E Riba
6. M.N Thobejane
7. M.L Mabilu
8. N.M Moropane
9. D.M Thobejane
10. R.F Lourens
11. K.J Moraba
12. A.D Ngwatle

### **FUNCTIONS OF MPACs**

**The primary functions of the Municipal Public Accounts Committees are as follows:**

- I. To consider and evaluate the content of the annual report and to make recommendations to council when adopting an oversight report on the annual report;
- II. In order to assist with the conclusion of matters that may not be finalised, information relating to past recommendations made on the Annual report, must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and annual reports;
- III. To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented;
- IV. To promote good governance, transparency and accountability on the use of municipal resources;
- V. To recommended or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee; and
- VI. To perform any other functions assigned to it through a resolution of council within its area of responsibility.

**APPENDIX C: ORGANISATIONAL STRUCTURE OF THE MUNICIPALITY**



#### APPENDIX: D – POWER AND FUNCTIONS OF GREATER TUBATSE LOCAL MUNICIPALITY

Function	Authorised	Provided by
Street lighting	Yes	GTM
Water and Sanitation	No	Greater Sekhukhune District Municipality
Electricity Reticulation	No	Eskom
Municipal Roads	Yes	Greater Tubatse Municipality(GTM)
Other roads (district and provincial)	No	Greater Sekhukhune, Limpopo Dept of Transport
Housing	No	Limpopo Dept of Local Government & Housing
Building Regulations	Yes	GTM

Local tourism	Yes	GTM
Fire fighting	No	GSDM
Traffic & parking	Yes	GTM
Trading Regulations	Yes	GTM
Local Sport facilities	Yes	GTM
Municipal Planning	Yes	GTM
Municipal Public Transport	Yes	GTM
Storm water	No	GSDM
Municipal Airport	Yes	GTM
Billboards & Advertising	Yes	GTM
Control of liquor & food	Yes	GTM



outlets & street trading		
Local amenities	Yes	GTM
Waste & Cleansing	Yes	GTM
Cemeteries	Yes	GTM

## APPENDIX F: WARD COMMITTEE MEETINGS

Functionality of Ward Committees						
Ward Name (Number)	Surname of Ward Councillor	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 01	Mabelane	Motsebeng Morussia	Yes	6	6	2
Ward 02	Makine	Molelekwa Patrick	Yes	2	2	1
Ward 03	Mashabela	Mankgase Ronald	Yes	3	3	2
Ward 04	Malatji	Modjadji Annah	Yes	3	3	1
Ward 05	Kgoete	David	Yes	4	4	1
Ward 06	Hlatswayo	Buti Ephraim	Yes	4	4	1
Ward 07	Riba	Mashego Rebotile	Yes	5	5	2
Ward 08	Hlongwa	Mpho Samuel	Yes	4	4	1
Ward 09	Nkwana	Dianah Pheladi	Yes	6	6	2
Ward 10	Moropane	Ntai Christianah	Yes	6	6	2
Ward 11	Lesinya M.T	Mphago Turks	Yes	5	5	2
Ward 12	Magane	David Malekeng	Yes	6	6	2
Ward 13	Maroga	Lephapahne Rosemary	Yes	5	5	1
Ward 14	Mphofelo	Kgaogelo Vincent	Yes	6	6	2
Ward 15	Maile	Kgolane Miccah	Yes	4	4	2

Ward16	Komane	Mogau Cynthia	Yes	5	5	2
Ward 17	Mphethi	Ngwakwana Dorah	Yes	6	6	2
Ward 18	Masethe	Annah	Yes	5	5	2
Ward 19	Riba	Mphahlele Ephaphrus	Yes	4	4	1
Ward 20	Morena	Willies Pokies	Yes	5	5	2
Ward 21	Thobajane	Mabatane Norman	Yes	6	6	2
Ward 22	Mogofe	Mathume Enicca	Yes	6	6	2
Ward 23	Nkosi	Sipho Green	Yes	4	4	1
Ward24	Kgoete	Serutla Steve	Yes	6	6	2
Ward25	Maepa	Apollo Simon	Yes	5	5	2
Ward 26	Shai	Annah Motjekoane	Yes	6	6	2
Ward 27	Magapa	Khukhunana Martha(Deceased)	Yes	5	5	2
Ward 28	Rantho	Lekgema Jim	Yes	6	6	2
Ward 29	Komane	Tjilenyane Daniel	Yes	5	5	1
Ward 30	Sekgobela	Jane Beefy	Yes	6	6	2
Ward 31	Mabilu	Moditsana Lazarus	Yes	4	4	2

## APPENDIX H: LONG TERM CONTRACTS

Service Provider	Contract Amount	Initial Date	Termination Date	Period	Extension	Performance Assessment
Easy Pay (agency cash collection)	R3,92 per account collected	01/2008	10 days notice	Current	N/A	Good
SITA (Website maintenance)	R62,155 pa	06/2009	06/2010	1 year	2 years until 06/2012	Satisfactory
Maxprof (VAT recovery)	25% on recovered amount	07/2007	06/2009	2 years	3 years until 06/2012	Satisfactory
Focus Outsourcing	R11,000	06/2008	06/2011	3 year	3 years until 04/2014	Good
Business Connection (Financial systems)	R15000 pm	10/1999	6 month notice	Current	N/A	Good
G4 Fidelity (Cash services)	R26000	05/2007	3 month notice	Current	N/A	Good

Vodacom (cell-phones and data cards)	As per monthly billing (recoverable from users)	02/2006	24 months notice	Current	N/A	Good
Andre Lybrand (valuation roll)	R15000 pm	07/2007	06/2010	4	4 years until 2015	Good
Nut raff (Traffic Speed Enforcement)	R120 000	06/2011	07/2012	1 year	1 year	Good
Amandla Security (Security Services)	R755 014 p/m	30/07/2009	28/02/2009	2yrs	30/06/2013	Average
XEROX (copier)	R120,000 plus printing costs	30/07/2010	28/06/2013	3yrs	N/A	Good e
Randzanani Trading (supply of furniture)	R164,487 p/m	19/07/2010	19/06/2013	3yrs	N/A	Average

OTTIES LIFTS ( Sole service provider for lift)	R5016,00	01/02/2012	30 days		N/A	Satisfactory
Tubatse properties (rental of civic centre	R1,062,138 p/m	01/07/2010	30/06/2020	10yrs	N/A	Satisfactory
Bauba Marumo	As per work done (app R430 000 pm)	30/09/2008	31/10/2012	3years	None	Average

## APPENDIX J: DISCLOSURE OF FINANCIAL INTERETS

	Disclosures of Financial Interests	
	Period 1 July 2011 to 30 June 2012	
Position	Surname and Name	
<b>Mayor</b>	Mahlake	Nkosi Josias
<b>Executive committee</b>	Nkosi	Motuka Dorcus
	Malatji	Modjadji Annah
	Manotwane	Rosina Ramaabele
	Mohlala	Phulushi Archiebald
	Khoza	Maria Rinkie
	Makgoga	Mamogodi Emmanuel
	Nkosi	Samson Magodireng
	Mphogo	Sekopa caiphus
	Serothwane	Serotho Onis
<b>Speaker</b>	Moeng	Queen
<b>Chief whip</b>	Nkosi	Samson Magodireng
<b>Councillors</b>	Mabelane	Motsebeng Morussia
	Makine	Molelekwa Patrick
	Mashabela	Mankgase Ronald
	Kgoete	David
	Hlatswayo	Buti Ephraim
	Riba	Mashego Rebotile
	Hlongwa	Mpho Samuel
	Nkwana	Dianah Pheladi
	Moropane	Ntai Christianah
	Lesinya M.T	Mphago Turks

	Magane	David Malekeng
	Maroga	Lephapahne Rosemary
	Mphofelo	Kgaogelo Vincent
	Maile	Kgolane Miccah
	Komane	Mogau Cynthia
	Mphethi	Ngwakwana Dorah
	Masethe	Annah
	Riba	Mphahlele Ephaphrus
	Morena	Willies Pokies
	Thobajane	Mabatane Norman
	Mogofe	Mathume Enicca
	Nkosi	Sipho Green
	Kgoete	Serutla Steve
	Maepa	Apollo Simon
	Shai	Annah Motjekoane
	Magapa	Khukhunana Martha(deceased)
	Rantho	Lekgema Jim
	Komane	Tjilenyane Daniel
	Sekgobela	Jane Beefy
	Mabilu	Moditsana Lazarus
	Moraba	Lekhele David
	Mamekoa	Ralepane Samuel
	Selahle	Nnanesi Lucas
	Tau	Letau Christianah
	Lourens	Roelof Frederik
	Mogale	Kgakishi John
	Kgwedi	Joseph Lethabile
	Maleka	Enerst Kahludi
	Makofane	Isaac Thabo
	Makofane	Rejoice Lethabo
	Moropane	Nthloile Marry
	Malapane	Phomolo Elizaberth



	Malatjie	Sello Marcus
	Selala	Sentsho Isaiah
	Sekgobela	Phaswabotse Cedric
	Thobejane	Monicah Dinao
	Mohlaba	Phillistus Mohlomphi
	Makhubedu	Ngwanyene Rhinah
	Moraba	Komosas Jonas
	Ngwatle	Aubrew Dibapoleng
	Mametja	Matshehla Maggie

## APPENDIX K2: REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
						R
Description	2010/11	2011/12			2011/12	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	39 018 246	40 149 400	41 224 400	55 165 434	37.4%	33.8%
Property rates - penalties & collection charges	2 377 272	2 195 163	1 724 400	4 347 682	152%	88.7%
Service Charges	6 986 648	21 225 692	22 780 692	8 169 390	64%	61.5%
Rentals of facilities and equipment	334 748	420 000	420 000	639 583	52%	52%
Interest earned - external investments	2 308 446	385 000	385 000	3 648 761	847.7%	847.7%
Fines	584 238	830 000	830 000	670 196	24%	24%
Licences and permits	5 972 720	1 100 000	1 100 000	7 236 989	558%	558%
						46%
Government grants & subsidies	134 974 708	110 407 000	110 407 000	161 505 853	46%	
Fees earned	765 727	-	-	754 651	100%	100%
Other revenue	5 188 731	13 474 172	12 539 935	7 930 244	36.7%	41%
Government grants	1 191 400	1 815 550	1 815 550	308 600	83%	83%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>199 702 884</b>	<b>192 001 977</b>	<b>193 226 977</b>	<b>250 377 383</b>	<b>30.4%</b>	<b>29.6%</b>

## APPENDIX L: CONDITIONAL GRANTS (EXCLUDING MIG)

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
<b>Municipal support Grant</b>	R790 000	R790 000	R790 000	0%	0%	Capacity building in the municipality
<b>Finance Management Grant</b>	R1 250 000	R1 250 000	R1 250 000	0%	0%	Utilized for Financial interns
<i>Dept of Mining &amp; Engineering</i>	R19,800,000	R9 800 000	R6 604 922	66.6%	32.6%	Electricity supply
<b>Total</b>	R21 840 000	R10 840 000	R8 644 922	60.4%	20.3%	

## APPENDIX N: CAPITAL PROGRAMME PER PROJECT PER WARD

Detailed Capital Works Plan per Ward										
Project Name	ward(s)	2011/12 Budget	Start Date	End Date	Sep'2011	Dec'2011	March'2012	June'2012	2012/2013	2013/2014
1. Alverton Access Bridge	23	R3.1m	01-Jul-11	30-Jun-12		R1,550,000	R1,550,000			
2. Dresden Access Bridge	31	R3.1m	01-Jul-11	30-Jun-12		R1,550,000	R1,550,000			
3 . Maropong Access Bridge		R3.45m	01-Jul-11	30-Jun-12		R1,725,000	R1,725,000			
4. Mokobola Access Bridge	20	R3.45m	01-Jul-11	30-Jun-12		R1,725,000	R1,725,000			
5. Molawetsi Access Bridge	6	R3.45m	01-Jul-11	30-Jun-12		R1,725,000	R1,725,000			
6. Motlolo Access Bridge	20	R3.45m	01-Jul-11	30-Jun-12		R1,710,000	R1,710,000			
7. Mapodile Sport Complex	2	R2m	01-Jul-11	30-Jun-12		R666,667	R666,667	R666,667	R2,1m	
8. Burgersfort Internal Street	18	R2.1m	01-Jul-11	30-Jun-12		R833,334	R833,334	R833,334	R4m	R5.4m
9. Ngwaabe Access roads	29	R1.5m	01-Jul-11	30-Jun-12		R500,000	R500,000	R500,000	R3m	
10. Praktiseer Internal Street	13	R2.9m	01-Jul-11	30-Jun-12		R833,334	R833,334	R833,334	R4m	R5.4m
11.Ohrigstad Internal Street	1	R2.5m	01-Jul-11	30-Jun-12		R833,334	R833,334	R833,334	R3m	

ELECTRIFICATION PROJECTS										
12.Maahlshi Electricity	23	R520k	01-Jul-11	30-Jun-12		R172,333	R172,333	R172,333		
13.Mafarafar Electrification	23	R2.86m	01-Jul-11	30-Jun-12		R953,333	R953,333	R953,333		
14.Electrification of Malepe	16	R1.43m	01-Jul-11	30-Jun-12		R476,667	R476,667	R476,667		
15.Electrification of Moraba	16	R910k	01-Jul-11	30-Jun-12		R303,333	R303,333	R303,333		
16. Electrification of Motshana Village	16	R3.9m	01-Jul-11	30-Jun-12		R1,300,000	R1,300,000	R1,300,000		
17.Electrification of Ga-Mokgotho Village	16	R4.55m	01-Jul-11	30-Jun-12		R1,516,667	R1,516,667	R1,516,667		
18. Electrification of Maretlweneng village	16	R2.86m	01-Jul-11	30-Jun-12		R953,333	R953,333	R953,333		
19. Electrification of Mankele Village	16	R1.69m	01-Jul-11	30-Jun-12		R563,333	R563,333	R563,333		
20. Electrification of Mamogolo Village	16	R1.08m	01-Jul-11	30-Jun-12		R360,000	R360,000	R360,000		
21.Fencing of rural Cemeteries	1 to 31	R3.5m	01-Jul-11	30-Jun-12		R1,166,667	R1,166,667	R1,166,667	R2m	R4m
22. Establishment of Praktiseer 2nd cemetery	13	R50k	01-Jul-11	30-Jun-12						
Total		R54,350,000							R18m	R14,8m

